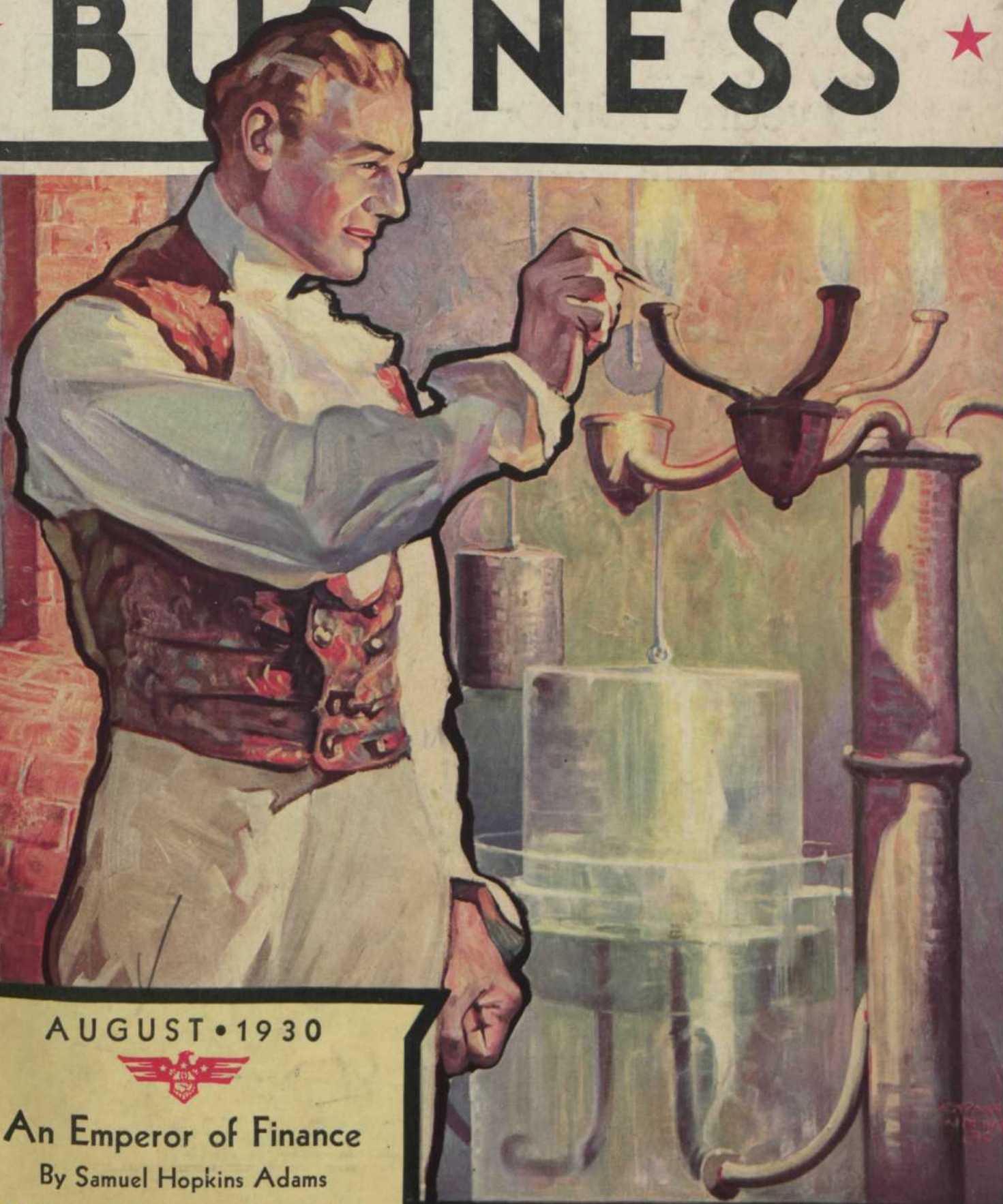


NATION'S BUSINESS

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An Emperor of Finance

By Samuel Hopkins Adams

COVER • The Public Utilities Pioneer • Page 6

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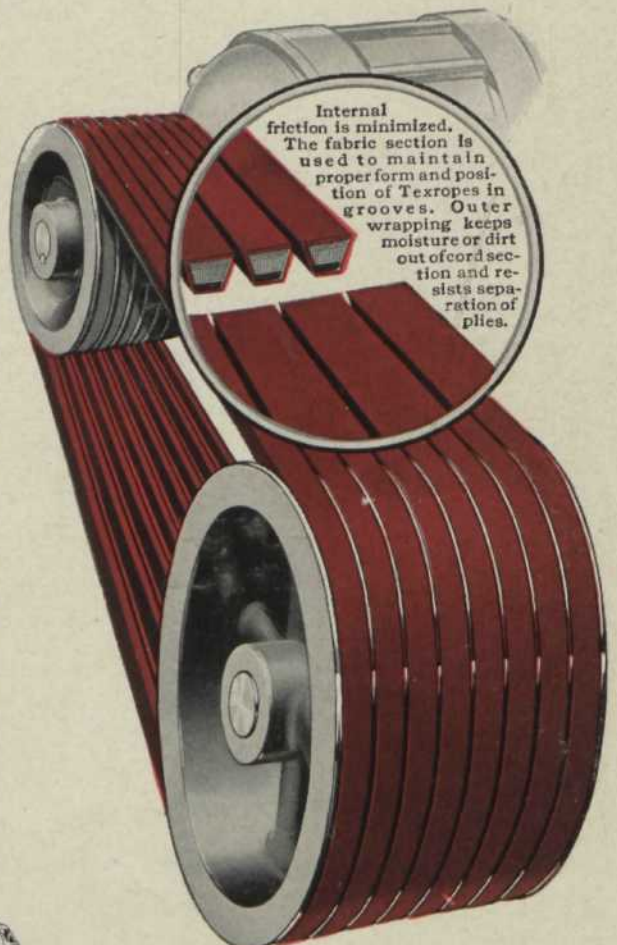
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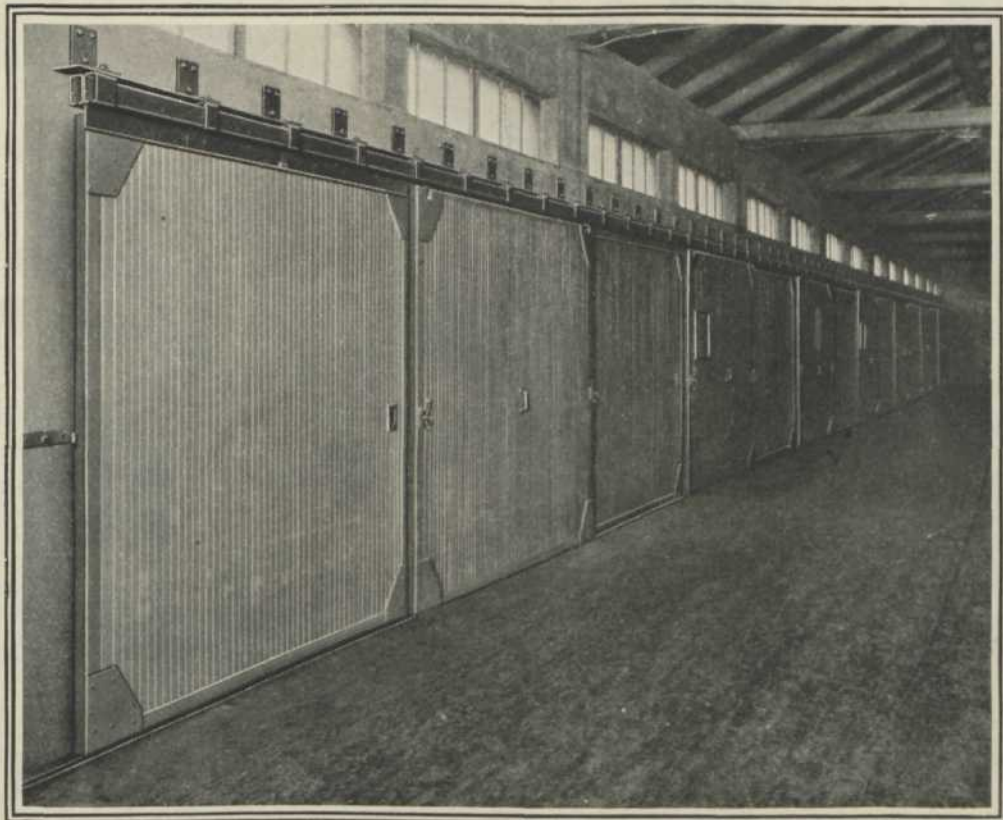


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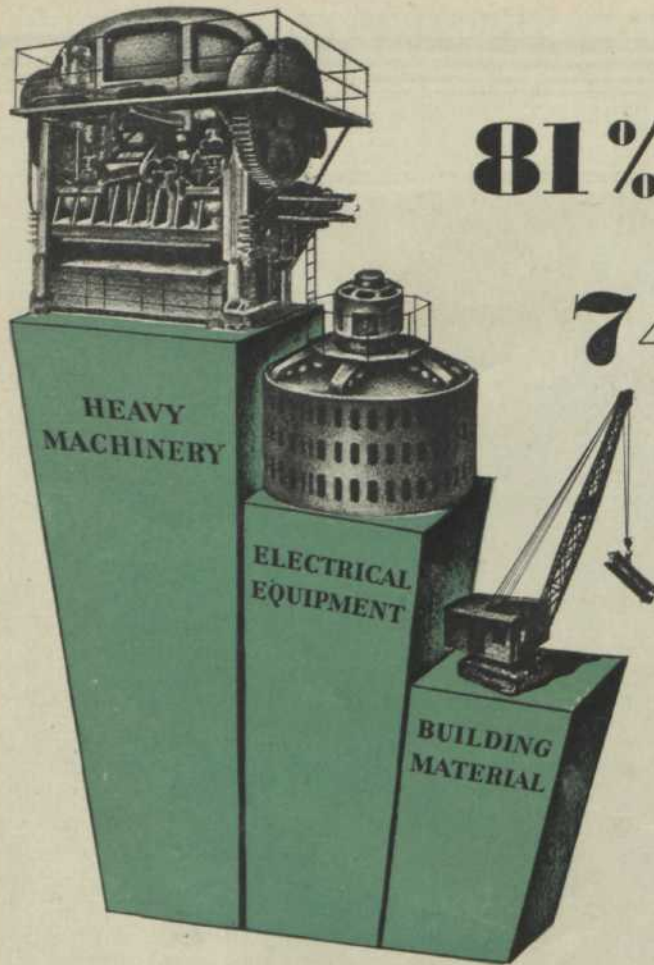
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NATION'S BUSINESS for August

VOLUME 18



NUMBER 9

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As the official magazine of the National Chamber this publication carries authoritative notices and articles in regard to the activities of the Chamber; in all other respects the Chamber cannot be responsible for the contents thereof or for the opinions of writers.

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American manufacturers, more and more, are extending their business horizons. Like the writer of the letter quoted above, many of them turn to this bank for help and advice.

Because the Irving has valuable connections in every important city in the world and because it has been instrumental in building up the export trade of many of its clients, it is in an unusually favorable position to assist other manufacturers who wish to expand their business abroad.

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Next Month

EVERY ONE admits that obsolescence is expensive, but it remains for W. H. Rastall to supply accurate figures as to how expensive it really is. As chief of the Industrial Machinery Division, Bureau of Foreign and Domestic Commerce, Department of Commerce, he is in a position to watch the workings of obsolescence both in this country and abroad, and can offer concrete evidence of just what obsolete machinery and methods are costing in various lines.

No business man likes to be known as a sucker, but Boyden Sparkes has uncovered a new and profitable racket, which uses the credulity of business men as its chief stock in trade. Mr. Sparkes, a former newspaper man, is a widely known writer of articles and fiction.

William McFee, who knows both England and America from long residence in each, compares the American and British views of selling. His observations will interest every one, but will be more than ordinarily helpful to those engaged in foreign trade.

Other men who will write in the September number include Herbert Corey, E. C. Sams, president of the J. C. Penney Company; and E. J. Kulas, president of the Otis Steel Company and of the Midland Steel Products Company.

THIS MONTH'S COVER

Painted by Edgar F. Wittmack

A LEISURELY commerce was lighted by uncertain and inadequate candles; a plodding industry was powered by human muscle; business was bounded by the hours of daylight and the strength of toiling workers.

But in Baltimore farseeing men conceived a new enterprise by which they were literally to light the way of progress. Placing a coal-filled iron retort in a furnace, they made gas—a crude gas, partly refined by being passed through a dish of water, then on to standards where it burned with a bright, though flickering flame.

These pioneers formed the first public-utility company. In their smoking furnaces were born the genii of light and power. From the iron and copper tubes with which they piped their product to their first doubting customers grew the great conduits that now bring light and heat and power to countless homes and factories. To these public-utility pioneers, NATION'S BUSINESS dedicates this cover.

WANTED: SAFE MEN for Dangerous Times

BUSINESS today needs, and needs desperately, executives with fresh minds and up-to-date equipment—men who are safe, not in the discarded sense of dodging decisions, but in the modern sense of *making* them and making them *right*.

During the next five very dangerous and exciting years, the new competition will make the fortunes of a lot of such men—and incidentally toss a lot of others on the scrap pile.

We are not in the least exaggerating this demand for trained executives. So badly are they needed that the key men of American business today have gone to extraordinary lengths in helping the Institute to train such executives. They have actually prepared for us a whole new Course, designed to meet the new conditions.

The authors of this new Course are men whose success belongs to the present—not the past. Their own success in the future depends in some degree upon their ability to find and develop capable assistants. That is why they have co-operated so enthusiastically with the Institute. Among them are:

Alfred P. Sloan, Jr., *President*, General Motors Corp.; Joseph P. Day, the real-estate wizard; Hon. Will H. Hays, *President*, Motion Picture Producers and Distributors of America, formerly U. S. Postmaster General; Bruce Barton, Chairman of the Board, Batten, Barton, Durstine & Osborn; John T. Madden, *Dean*, School of Commerce, Accounts and Finance, New York University; Dr. Julius Klein, *The Assistant Secretary*, U. S. Department of Commerce; George Baldwin, *Vice-President*, General Electric Company; Hubert T. Parson, *President*, F. W. Woolworth Company; David Sarnoff, *President*, Radio Corporation



of America; F. Edson White, *President*, Armour & Company; and Dexter S. Kimball, *Dean*, College of Engineering, Cornell University.

In preparing the new Course and Service we have drawn, without regard to cost, on the time and interest of these outstanding business statesmen. It is new, challenging, utterly un-academic, vibrant with the energy of men whose names are magic in the councils of modern business. So new is it that the latter sections are not yet off the presses, although the work of assembling and editing is now complete.

We have prepared a new booklet which describes this new Course and Service. It is entitled "What an Executive Should Know." It is for men of serious purpose only. It will take about an hour to read, and it is free. Frankly, it is difficult for us to understand how any man who intends to make himself independent in the next five years can afford *not* to read it.

You *must* equip yourself to deal with what lies ahead. Send for your copy of this booklet today. It will come to you by mail, without obligation.

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The Dividends Vacations Pay

VACATIONS are all things to all men.

Some men vegetate; others recreate.

Vacation may mean care-free days of golf or fishing with no need to explain "in conference." Or it may signify an inviting space of calm for the recharging of mental batteries, the replenishment of ideas, the charting of new industrial courses.

It is obvious enough that the annual emancipation from the job is a matter of change as much as rest. The tired mind detached from its workaday round of concentrations can find appealing nourishment in the vacuum of vacation leisure. It was a great scientist who discovered the paradox that "there is something in the vacuum." And Dr. Whitney has demonstrated the substance of his belief through the wonders performed at the research laboratory of the General Electric Company.

Regularly he and his associates have hitched themselves to ideas. Over and over again they have discovered truths stranger than fiction. Not all of us who have vacations to spend can work prodigies of science but we can achieve Dr. Whitney's paradox in some degree. We can turn leisure to some account. We can dream to good purpose. We can get something out of nothing, even as the laboratory explorers have done.

When the first page of a San Francisco newspaper is read in New York State a few hours after it is printed; when a lecturer makes a ray of light produce music and transmit his voice across the room; when Australia chats with America, and engineers talk of bringing water power from Pacific slopes to within reach of industrial markets in the Northeast—even the sophisticated denizen of this ultramodern world begins to inquire "Wherefore?" And the answer has more than a touch of the mysterious, for he is told "It's the vacuum—it's all in the vacuum tube!" As everyone knows, Edison's incandescent electric lamp is essentially a vacuum device.

These wonders have come to pass because men hitched their faith to ideas. It is true that the world, being constituted of human-

ity, is articulate with doubt of new ideas. When Sir Walter Scott heard of the work of Murdock, the pioneer of gas lighting, he exclaimed, "There is a mad man who proposes to light London with—what do you think—smoke!" If he had known of Edison's lamp he probably would have scoffed as vigorously, "There is a man who expects to illuminate the world with—what do you suppose—nothing, a vacuum!"

It is commonly observed that the world is lighted with ideas. If you look a little closer you will perceive in each case that the discoverer and the inventor each had his idea before he could produce the substance of its application. A sublime faith possessed him and urged him forward long before he could demonstrate the reality to the world.

Always the dream precedes the realization of the purposeful idea. Always imagination outdistances the known facts. By bridges of fancy civilization advances and man expands his understanding of the underlying unity of the universe.

So it is that the practical men, the hard-headed leaders, set more and more distant goals for their business objectives. And their sons will look beyond the horizons that now bound the farthest reaches of business vision.

Goods, services—the whole apparatus of business as we now know it—can be improved, and by the sovereign force of ideas it will be improved.

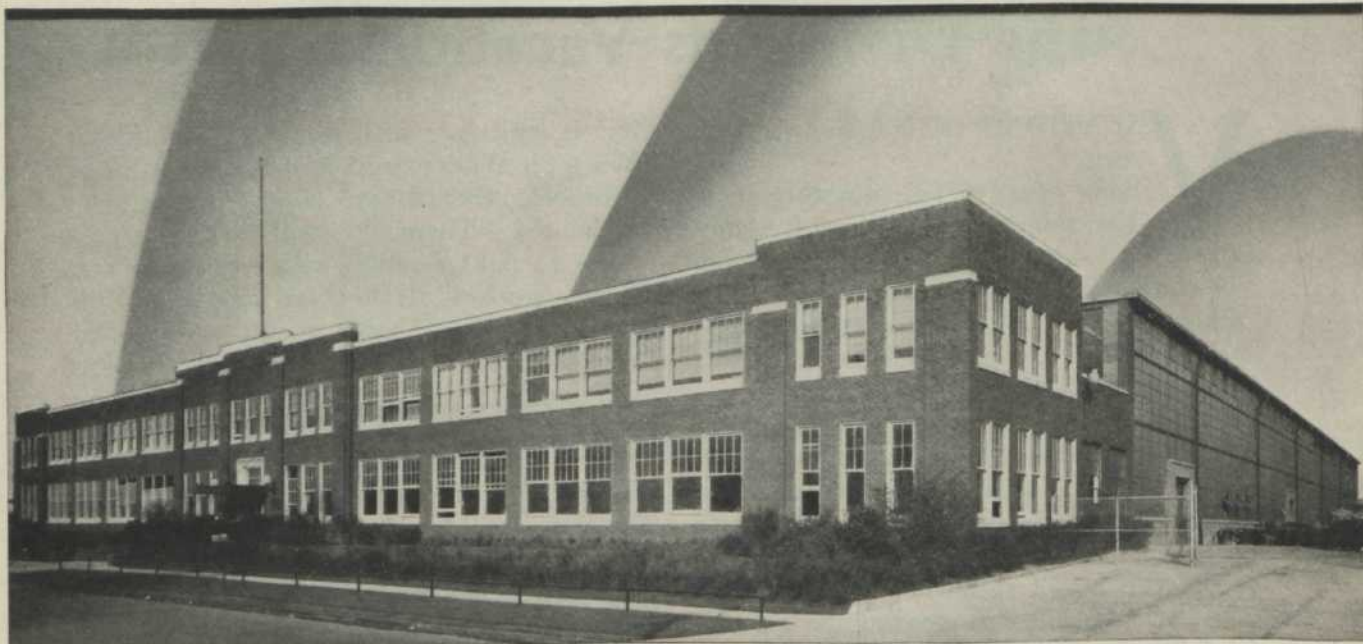
Ideas are hardy and persistent. You cannot escape an idea. It will penetrate your strongest walls. An idea makes nothing of time and space. Eventually it will get you.

In the days of Harun-al-Rashid the idea of the magic carpet made an engaging fairy tale. A man of our times added a gasoline motor to the idea of that lively Arabian tale. The magic carpet became the airplane.

We can use our vacation leisure for loafing or for thinking. The possibility that a vacation can produce something more than a coat of tan is a rather revolutionary idea in itself.

—R. C. W.

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Designed and equipped for straight-line production, planned for mechanical handling with a well-balanced layout of departments, *the modern industrial plant is like a mammoth machine.* Each operation follows the other with exacting precision, all governed by a predetermined schedule—delays are eliminated—time is saved all along the line.

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NATION'S BUSINESS



Published at Washington by the Chamber of Commerce of the United States

MERLE THORPE, Editor

As the Business World Wags

THUS WE MAY SEE, QUOTH HE,
HOW THE WORLD WAGS—*As You Like It.*

Pay Rolls Made to Float



HAILED as "a piece of industrial statesmanship of the first order" by New York's state industrial commissioner, the General Electric Company's new cooperative plan for stabilizing employment and insuring relief to employees during enforced layoffs is to be submitted to each company unit for acceptance. Should every plant approve the plan, a total of 75,000 workers would be affected.

Gerard Swope, president of the Company, has explained that the individual contributions would be the same from president down to office boy, one per cent of the income. While no minimum is set in the plan, the lowest relief payment will be about \$10 a week, but in no case will it be more than \$20 a week.

When employment falls below a certain figure, non-members will be required to pay into the fund, provided they are employed at least 50 per cent of the time, and unemployed members will not be required to contribute, but will receive benefits. The Company also agrees to stabilize its force by hiring new workers as slowly as possible when business is increasing, and by keeping layoffs at a minimum during dull periods by maintenance and similar work.

Industrial interest in achieving an equitable continuity of employment is taking its place in the public consciousness. When Procter and Gamble, soap makers, guaranteed 48 weeks of work each year, the practice was acclaimed by the press as "a pay roll that floats." The measures proposed by the General Electric Company help to confirm belief that long-range provisions for unemployment are becoming a settled policy of American industry.

The Time for Public Works



IF GRAPHIC accent were needed to emphasize individual declarations that time is of the essence in the planning and control of public works, it is now at hand in the well charted conclusions issuing from the Committee on Economic Changes of the President's Conference on Unemployment. With regard to the launching of public

works projects in behalf of business and employment stabilization, the Committee finds that

... if properly timed as the pendulum of employment starts to swing in an unfavorable direction, the influence of prompt expedition of public works is effective out of all proportion to its size. Timeliness multiplies the effectiveness of each project accelerated.

Prompt action is, of course, contingent on knowledge of the economic situation "so that favorable trends which threaten adversely to influence the economic balance may be anticipated and compensating factors influenced earlier than would be the case if natural forces were left to act in their own time and way."

Public construction as an unplanned emergency relief for unemployment has long been tried, and is found wanting when weighed by the Committee. Nor does it find decisive practicability or necessity in the withholding of construction expenditures in good times in order to provide a work reserve for depressions. City and regional planning, public research, and the improved flexibility of financial and governmental agencies are signs of the times which point to more effective elasticity in utilizing spending power toward the maintenance of economic balance.

It is not difficult to find the lessons of experience reflected in the Committee's judgment that "a perfect, even flow of economic activities is not practically attainable, but an increasing degree of economic stability is undoubtedly the goal toward which the world is now working." There is as much invitation to believe that when it declared for a continuing study "so the full benefit of the data collected in the past may be obtained," the Committee had no intention of contriving a confusing paradox. Rather, it has helped to define the idea that intelligent coordination and cooperation in planning and performing can motivate economic progress little short of perfection.

German Thrift in New Terms



IN the new economic nomenclature which has developed in the post-war overhauling of European trade and industry, "rationalization" and "syncretism" are widely used and variously interpreted. Whether these terms were originally used in Germany, or whether they were sponsored

at the World Economic Conference held at Geneva in 1927, the Germans have applied them with characteristic ingenuity.

By usage, "rationalization" has come to define the reorganization of business as a whole. It comprehends the standardization of materials, methods and products, scientific management, improvement of transportation, communication and marketing, the consolidation of industries and better budgetary control—in brief the effective and economical coordination of all industrial functions. The lengthening shadow of the German chemical trust provides an exclamation point for an international interpretation of rationalization.

Less familiar is "syncretism," which defines a movement toward cartels, mergers, and the unification of administrative, productive, and distributive functions. The community of interest recently established between the North German Lloyd and the Hamburg-American steamship lines is a case in point.

Whatever German accent "rationalization" and "syncretism" have acquired in commercial lexicons, a broad confidence in Germany's future is significantly attested in the acceptance of the Young Plan new annuity loan. The American share of these bonds amounting to \$98,250,000—or almost one-third of the international indemnity—was offered by bankers at a price of 90. Before the announcement of the official terms, the loan went to a premium of more than \$10 a bond in the over-the-counter market. A reception so enthusiastic argues a faith that German thrift is the most characteristic product "made in Germany."

Explanation to No Profit



Seen through the editorial glasses of the London *Times* Trade and Engineering Supplement, the idea is that high wages enable workers to buy more goods, and therefore, promote business activity. As observed from London, the theory seems to have broken down in the hour of depression "even behind the high tariff wall in America."

In England, to take a closer look, it is obvious—to the *Times* at least—that high wages without the shelter of a tariff first create consumer credit for consumer goods produced on a lower wage standard, and next result in unemployment because the products of high wages cannot be sold because they are too dear. A focus of forces so fateful is enough to incite definition by a ponderous phrase of the elder Lord Chatham, "a concomitance of calamitous circumstances."

The "Longs" Seem to Have It



still seem to have it. Exposure of a multitude of shins was an object lesson in personal liberty, yet apparently

HOW easily some devices of our "new era" economics can be viewed as pillars of prosperity or as props to pessimism is revealed in an English appraisal of consumer credit.

WHAT the insurgent Dartmouth students did by way of emancipating our civilization from the slavery of long trousers is now a brief bit of sartorial history. The "longs"

the "shorts" gained converts as a campus costume rather than as a national custom. But let it not be thought that brevity is less the soul of dress reform than it is of wit. An idea so revolutionary knows no frontiers, and gains momentum with a sort of international emphasis," as "Lucio" so lyrically suggests in the *Manchester Guardian*:

What saps a nation's strength and pride?
What cramps its manly form and stride,
And turns its youth, unsanctified,
To coistrils and carousers?
What spreads corruption's baleful breed,
And makes the stoutest lad weak-kneed?
Be warned—it is, it is, indeed,
The cursed cult of trousers!

Versifying aside, the pioneers in this Spartan gesture are undecided whether they were more honored in the breeches than in their observance. And probably the textile industries are just as glad their fates are not on the knees of these undergraduate gods.

The Length of a Chain



FAMILIAR as the chain store may seem in its physical aspects, the number of operating organizations and the number of the constituent links are not so definitely fixed in the public eye. A current census is provided in the reports now coming in to the Federal Trade Commission. Up to May 24, 1,060 chain-store organizations had responded to a questionnaire issued by the Commission. As of March 30, 1929, these chains were operating 56,674 stores or approximately fifty-three stores in each chain.

Ninety-one of these chains operated 50 or more stores each, while the remaining 969 organizations each had less than 50 stores. The total number of stores operated by the former group of 91 chains aggregated only 7,979 stores. In other words, as the Commission points out, less than 9 per cent of the total number of reporting chains operated more than 85 per cent of the stores reporting, while upward of 90 per cent of the reporting chains operated less than 15 per cent of the stores.

Slightly less than 25 per cent of the reporting chains, and something under 68 per cent of the reporting stores were groceries and meat markets.

"Varying amounts of information" were included in the returned schedules, to use the Commission's phrase. For one thing, the responses suggest an answer to the question of how long is a chain.

The Wages of Leadership



IS any man worth a million dollars a year? John F. Sinclair, correspondent for the North American Newspaper Alliance, has been seeking the answer. On the word of Ralph Gwynn there are no million-dollar salaries in the Penney-Gwynn chain-store organization—"no man in our institution gets one-fourth, or one-fifth, or even one-tenth as much." Somewhat divergent is the view of Adolph Zukor, Paramount-Publix chieftain, who

said, "Men whose creative ability is worth a million dollars a year are few, but there are some in the United States. . . . To say that a million-dollar salary cannot be earned in the United States is foolish."

Edward A. Filene, Boston merchant, declared, "I would pay Owen Young a million and feel sure I would get more than a million profit as my share of his work. I would pay Henry Ford a million a year to run Ford Motors. There are others." As positive in contrast was the judgment of Nicholas F. Brady, at the time of his death reputed the largest stockholder of the New York Edison Company. "No employee of a well-run corporation can possibly be worth in salary over \$100,000 a year to any corporation," he said.

It is obvious enough that Mr. Brady's response does not eliminate the increase of executive income through additional compensation paid as bonuses for efforts which increased profits. Susceptible to many conclusions, as they no doubt are, the answers Mr. Sinclair reports serve to confirm belief that the question of salary reward in business will always invite answers quite as various as the men who give them.

Every Man His Own Magnate



DIVERGENT as opinions may be on some of the economic consequences of the stock-market adjustment which began last October, the accomplishment of a wider diffusion of corporate ownership is readily supported with statistics. A representative view is provided by Frazier Jelke and Company of New York in the finding that "many big blocks of margin-held stocks have been broken up and the number of stockholders of record never was so large as at present." Examples to direct that conclusion are immediately at hand.

Montgomery Ward had 11,775 common stockholders on August 4, just one month prior to the peak of the stock-market advance. On May 7, 1930, the company's shareholders' list had increased to approximately 51,250 names. General Motors Corporation on February 15, 1930, had 218,392 common stockholders, or 100,625 more than on August 17, 1929.

And for further suggestive showings, United Gas Improvement in the summer of 1929 had 28,004 shareholders compared with 68,500 at the end of the year. United States Steel's list gained from 110,166 at the end of the third quarter of 1929 to 124,069 at the end of the first quarter of 1930. Pennsylvania Railroad had 184,997 holders of record at the beginning of October and 196,119 at the end of December. The number of names on the books of such companies as Radio Corporation, International Nickel, Anaconda, Standard Oil of New Jersey and Packard Motor Car showed a considerable gain for the final three months of last year.

More inviting price appeal goes part way as reason for the increasing distribution of common stock issues.



The Complaining Fisherman

CHICAGO TRIBUNE

More significant of the trend in public relations is the expert judgment that "the companies with the largest number of shareholders keep their owners best informed." Where effect can so easily be traced to cause, understandable frankness would seem to be the ingredient most essential to the making of a useful financial statement.

Manhattan Wants More Homes



MANHATTAN, says Edward F. Corsé, chief census taker for that district, is in danger of losing its preeminence as the most populous county in the United States. That distinction will cross the East River to Brooklyn. More than that, Mr. Corsé predicted, in four generations Manhattan will have no residents.

The energetic Julius Miller, president of the Borough of Manhattan, does not propose to have his pet island depopulated and the very newspaper that printed Mr. Corsé's assertion and prediction published also Mr. Miller's remedy. He has pledged 25 of the city's leading builders to put up each an apartment building where rents shall not exceed \$21 a room per month. Architects are at work on the plans, the Metropolitan Life will help in the financing and Mr. Miller is sure builders and owners can make fair profits.

Mr. Miller's plans may be feasible and the yearly loss of 65,000 population from which Manhattan now suffers may be lessened.

But is it so desirable that the worker should live so near his work? One of the blessings which the automobile is supposed to bring in its train is the possibility of living where a man may mow his own grass.

If one could make New York over again—and we

mean by New York that whole vast area that stretches up the Hudson and half fills Long Island and reaches into Connecticut and New Jersey—wouldn't one set aside that narrow island between the Hudson and the East River for business and shops and theaters and museums and give its millions ways of getting in in the morning and out at night?

But if that's not the way, we wish Borough President Miller the best of luck in providing those who live on Manhattan with comfortable and attractive apartments at \$21 per room.

And if Manhattan wishes to get rid of some industries to promote more dwelling places—well, we know secretaries of chambers of commerce who stand ready to find homes for orphan industries.

A Revolutionary Idea Persists



THE fact that Massachusetts is now celebrating the tercentenary of the founding of the Bay Colony is a refreshing reminder that America has come of age. But more, this observance revitalizes traditions that have high place and value in the hearts of all Americans. It is natural that the occasion should define an inviting opportunity for a pilgrimage to New England's shrines and monuments.

Yet rich as New England is in properties for patriotic recreation, the greater picture is plain to see. Walter Pritchard Eaton has caught its spirit in eloquent prose. New England is a land of ancient memories dear to every American, of landscapes mellowed by 300 years of human occupation, of villages grown gray and lovely under immemorial elms, of houses proud with the grace of the eighteenth century, and fields where our fathers fought for freedom.

More and more, it is apparent that "the shot heard round the world" was effective because it carried the impact of a revolutionary idea. The observing visitor will readily discover the enduring quality of that precedent. New England's traditional resourcefulness and fortitude in war is now no more characteristic than her readiness with new ideas for the advancement of her commerce and industry.

Universities and Utilities



CHARGES that utilities were spending money to influence the course of instruction in colleges and universities were rather widespread a year or more ago. Because of these charges, which reflected directly on the integrity and judgment of the teaching profession, the American Association of University Professors has been looking into the situation. The report of the Committee on Ethics has been issued through Prof. E. R. A. Seligman of Columbia.

While no flagrant violations of academic canons were found, there was evidence of individuals and institutions accepting money for studies, a fact which placed them in questionable positions. Naïve trust in the good intentions of the persons supplying money was evident in some cases. The question of corporate aid to schools

is not a simple one. It is accepted as perfectly legitimate for a firm to aid a school financially when the object is the solution of a technical or mechanical problem. In this way, the benefits go to the public and are not solely for the enrichment of some private concern.

The professors have decided on a principle, which may well become a guiding precedent for both schools and instructors. They conclude that it would be wise

... for all our institutions, academic or research, to refrain from soliciting, and to refuse to receive, gifts from any business source, if these funds are destined to support research or other academic activities on any specific question of actual or probable controverted policy . . .

Chain Sales and Stock Prices



WHILE chain stores have been getting legislative attention a plenty lately it has not slowed their operations appreciably. One effect of the publicity of an adverse nature which they have been receiving seems to be reflected in the general apathy to chain stocks regardless of values.

For the first four months of this year, 29 leading chains, comprising practically all types, showed a sales increase over the same period of last year of 4.42 per cent. For the month of April the gain was nearly ten per cent—evidence of a sort that the public cares little for battles within the ranks in any industry. Attempts to sway public patronage on sentimental or legislative grounds are not often successful, as has been repeatedly shown in merchandising history.

The Tariff and the Chamber



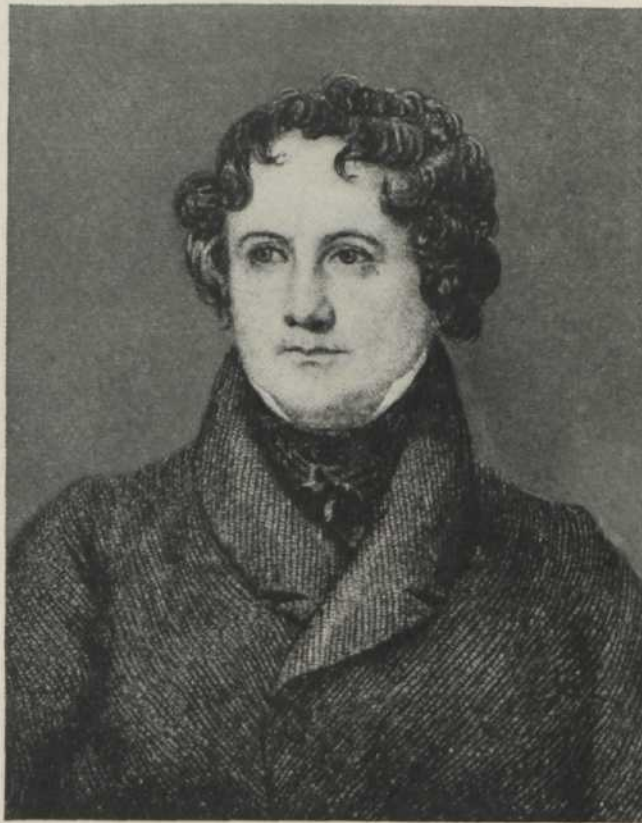
WITH the passage of the Hawley-Smoot Tariff Bill, and its approval by the President, public interest in the flexible provisions has been as articulate as opinion on the rates.

No interpretation could be more timely or authoritative than the views made known by Mr. Hoover in his formal statement of June 16. He said:

The new flexible provision establishes the responsibility for revisions upon a reorganized tariff commission, composed of members equally of both parties as a definite rate-making body acting through semi-judicial methods of open hearings and investigations by which items can be taken up one by one upon direction, or upon application of aggrieved parties. Recommendations are to be made to the President, he being given authority to promulgate or veto the conclusions of the commission. Such revision can be accomplished without disturbance to business, as they concern but one item at a time, and the principles laid down assure a protective basis. * * *

These provisions meet the repeated demands of statesmen and industrial and agricultural leaders over the past twenty-five years. It complies in full degree with the proposals made twenty years ago by President Roosevelt. It now covers proposals which I urged in 1922.

When the bill was before the Congress, the National Chamber employed all proper means to ensure legislation that would provide for flexibility in rates. At no time did it appear as the advocate or opponent of any rate or duty. Now that the bill has become law, it is a source of considerable satisfaction to the Chamber that the flexible provisions are in substantial accord with its recommendation.



Nicholas Biddle, banker, poet, diplomat, and the most powerful financial figure in U. S. history

An Emperor of Finance

By SAMUEL HOPKINS ADAMS

Author and Historian

WAR CAN be managed without real money but not peace, as this nation discovered after 1812. Hence the Second Bank of the United States. It was governmental by establishment, but not in its control. The original national bank had died in the odor of scandal. This, its successor, was devised to give the Treasury Department needed financial backing, to stabilize the currency, and to restore specie payments after an orgy of paper wherein the Government was paying its bills with money which it would not receive back as settlement for taxes.

The Second Bank was chartered in 1816 for 20 years. Its notes soon became as stable as gold. Its stock was the gilt-edged investment of the times. For this the credit is due to the man widely and

not without justice, called "Emperor Nick of the Bribery Bank."

If ghosts could rise and laugh, there would be quiet mirth in a graveyard outside Philadelphia over today's recurrent political scare head of the Money Power's tyranny. In that peaceful retreat lie the bones of a man who was not a money king but a money emperor. The financial "tyrants" of today, with their modest pretensions and conventional methods would have seemed to him so many white mice.

Other days, other ways

ON THE other hand his practices would have startled them. Wall Street today

★ **THOSE** who cry out today about the Money Trust's tyranny can learn much by looking back at the good old days when there was a money trust in the shape of one man who could start panics to teach a President a lesson. That man was Nicholas Biddle, a banker who could show today's "tyrants" much about finance

would be more likely to lynch than to support a bank autocrat who deliberately precipitated a panic to teach a lesson to the President of the United States and punish the public which had backed him; who bought newspaper support, right and left; who kept the leading statesmen of the period on his pay roll; who made his financial methods the storm center of partisan activity for a full generation, and who was so secure in his sense of power that he could reply



When President Jackson dared oppose Biddle, the banker started a panic to put him in his place

to a protesting party leader with the covert threat:

"If any political party or association desires to separate itself from the Bank . . . be it so."

Such was Nicholas Biddle, president of the Second Bank of the United States, and the leader and director of American finance.

He began as a reformer. The Bank of the United States, reconstituted after the War of 1812 to stabilize a currency so liquid that it threatened to become gaseous, had fallen into the hands of reckless speculators. One of the committee appointed to clear up the situation was a young Philadelphian who had made something of a study of economics. Apart from this he was known as a minor litterateur, a graceful poet, an approved diplomat, and a leader of fashion in his city which was then the social

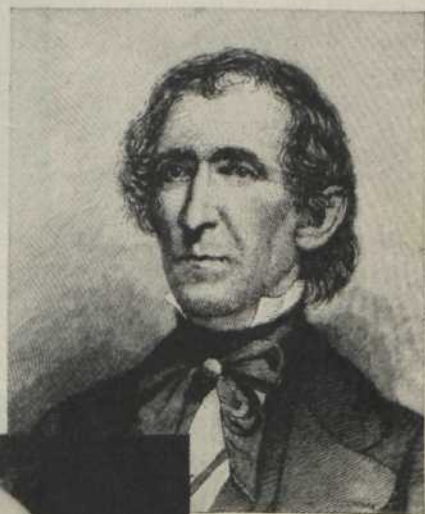
and financial center of the nation, Washington being still a malarious frontier development, New York an upstart metropolis, and Boston a state of mind, mainly mercantile.

He did a thorough job

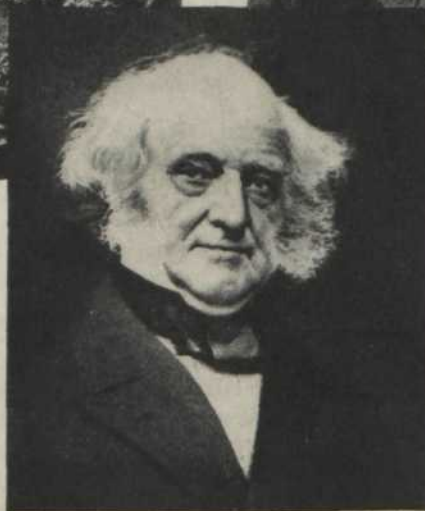
SO WELL did the new broom do his cleansing work, that the head of the committee advised his continuance in it. Shortly afterwards, the Government put him in charge of the Bank of the United States. He reciprocated by trying to put the Bank in charge of the Government of the United States and nearly succeeded.

Thirty-seven years old when he ac-

cepted the most influential position in national finance, Nicholas Biddle was a man of opulent, almost womanish beauty, vivid personal charm, and lively intelligence. He was elegant in mind and body, conscientious, honorable, autocratic without arrogance, and a fanatical devotee to the wealth and power entrusted to him. Hardly had he settled into harness when his mettle was tested by one of those panics which recurred like epidemics in the first half of the nineteenth century. He met it with all the resources of the Bank and its branches. By a policy at once prudent and liberal he maintained the interest rate on loans at the then low figure of six per cent and thus tided over the situation. He was regarded as a public



Tyler opposed Biddle and lost his cabinet



Van Buren inherited the bank row. It ended his political career

benefactor. John Quincy Adams, then President, admired and trusted him.

So, for a time, did Andrew Jackson when he succeeded to the presidency. Biddle had come to the aid of the depleted Treasury Department with the resources of the Bank and tided it over a crisis, a service which "Old Hickory" appreciated. But his democratic soul grew distrustful of the increasing power of centralized finance. When Biddle worked out his plans for the renewal of the Bank charter, the life of which was 20 years, Jackson's "Kitchen Cabinet"

of adroit journalists began to stir up opposition to the movement. Up to this time the financier had sedulously kept the Bank out of politics. All that he asked was to be let alone. But the administration politicians would not let him alone. He saw that he was in for a fight and stripped for battle.

A financial giant of old

THE Bank was now more powerful than any financial institution, before or since. Its assets were 100 million dollars. Compared to this our modern billion-dollar mergers are insignificant. It had thirteen and a half million in deposits, 50 per cent of which was United States funds. Its notes circulated on as stable and uniform a basis as gold. The stock, paying from six to seven per cent, sold at 125. The parent bank at Philadelphia, with its 25 branches in the principal cities was the fiscal center of the country and its president the financial dictator. Not only his fortune, but his conscience, his honor, and his pride were invested in the institution.

Money was his weapon. He began to buy. First he bought editors, through lavish loans, defending his course by arguing that it was as legitimate to pay the "printers" for their editorial support as for their advertising space, a theory not yet extinct. He thus converted the

New York Courier & Inquirer which reversed its policy overnight; he generously financed the *National Intelligencer*, the *Telegraph* and other organs.

Daniel Webster* who had been the Bank's legal adviser in Boston but was now in Congress, went on the regular pay roll. So did his rival, Henry Clay. "Dinner funds" were organized for state legislatures, and there was a special arrangement for secret accommodation to needy statesmen. Open dealings with the "Bribery Bank" as it came to be called were dangerous to public reputations, even when legitimate. Wild charges were made by newspapers and in Congress. The wildest fell short of the truth.

Much of the record is preserved in the Biddle correspondence. Nicholas was a polished and industrious pen wielder, maintaining a wide epistolary connection, both business and personal. Upon receipt of a communication endorsed, "Burn this," "Private as murder," "For your eye alone" or the like, he could be trusted to file it conscientiously. He was preeminently a methodical man. Or perhaps he had the vice of autographs. The carnage that he might have wrought among contemporary reputations, had he so chosen, is dismaying to consider.

Possibly he considered it himself—he had a bizarre taste in humor in his

*Samuel Hopkins Adams has written a book on Webster's life, "The God-like Daniel," which will be published this fall.

lighter moments—for, when the long war was at its height he wrote out a "List of drawers and endorsers of notes; Members of Congress, Editors of newspapers, and officers of the General Government." Some of these transactions may have been entirely proper; others could hardly have been. The period covered seems to have been (the document is undated) from about 1830 on, and the names included represent the following offices, held either at that time or earlier, or in the future.

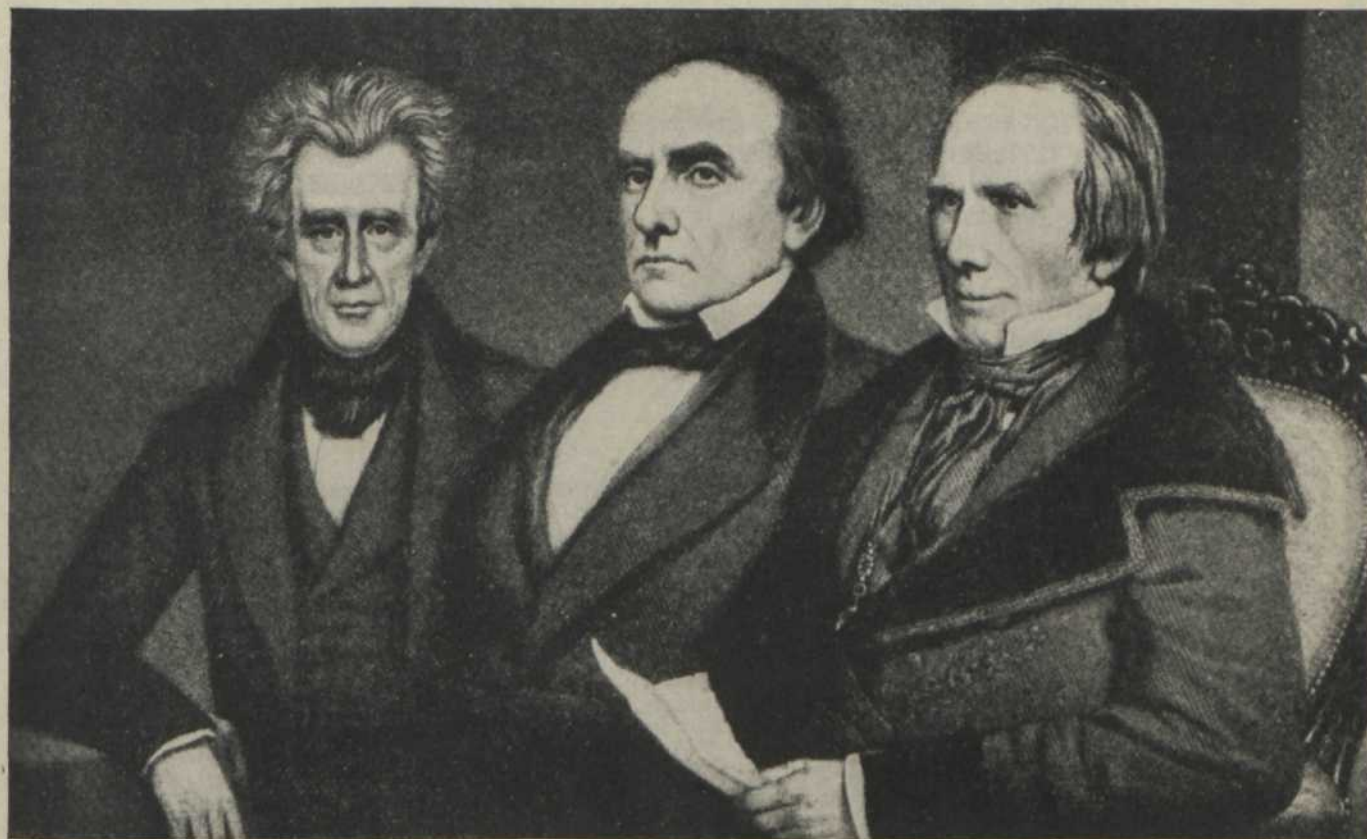
Presidents of the United States	1
Vice Presidents of the United States	3
Secretaries of State	5
Secretaries of Treasury	2
Secretaries of War	2
Postmasters-General	2
Justices of the Supreme Court	1
Speakers of the House of Representatives	1
Comptrollers of the Treasury	1

Clay and Webster enrolled

THE remainder of the list of 55 (there is some overlapping of offices) is made up of senators, congressmen, and newspaper owners, including the official Printer to the Senate.

Both Clay and Webster are on the list. Clay at one time owed \$22,000, Webster nearly \$18,000—which was

(Continued on page 98)



Jackson, Webster and Clay played a prominent part in the bank controversy. Webster and Clay were on Biddle's pay roll. Jackson was his enemy

SINCE LAST WE MET ★

JUNE

- 11 • NEW management-type trust, with capital of \$59,000,000, organized in New York by Brookmire Economic Service and named Brookmire Investors, Inc.

MANHATTAN Borough, New York City, loses 18 per cent in population—drops from 2,284,103 in 1920 to 1,856,588 in 1930.

- 12 • CONTRACTS for construction of public works and utilities, January 1 to May 31, amounted to \$588,000,000, an increase of \$152,000,000 over the average for 1925-1929, by report of Secretary Lamont.

INTERNATIONAL Telephone & Telegraph reports net income for first quarter at \$3,353,739, equal to 57 cents a share. For corresponding period, 1929, \$4,187,031, and 82½ cents.

- 13 • PACIFIC TRUST Company and Manufacturers Trust Company, New York, agree to merge resources with combined total at \$511,000,000.

- 14 • SECOND quarter cash dividends paid by Standard Oil companies amounted to \$68,590,901, largest disbursements made by this group for such a period.

- 15 • NATIONAL amusement center planned by John D. Rockefeller, Jr., in \$450,000,000 skyscraper group off Fifth Avenue, New York. Broadcasting and television to be featured.

- 16 • MANUFACTURING industries show decrease of 1.6 per cent in employment and 2.4 per cent in earnings for May compared with April, Bureau of Labor Statistics reports.

- 17 • PRESIDENT HOOVER signs Tariff Bill. Law becomes effective at 12:01 a.m. June 18. Custom houses to put rates in effect 8:00 a.m. June 18.

- 18 • WHOLESALE price index declines from 90.7 in May to 89.1 in April, Bureau of Labor Statistics reports. May, 1929, index was 95.8.

COPPER hits 11¼ cents a pound, lowest since 1914.

JUNE

SENATE adopts Borah resolution directing Tariff Commission to investigate foreign and domestic costs in production of shoes, cement, furniture, and farm implements. Bingham rider adds bells, wire fencing, wire netting.

- 19 • LOWEST rediscount rate in history of Federal Reserve System established by New York Federal Reserve Bank with rate of 2½ per cent for borrowings of member banks.

- 21 • ONE HUNDRED stocks break to year's new lows. Steel down to 154, all wheat options below \$1, cotton off \$2 a bale.

J. C. PENNEY Company's 1,450 stores announce readjustment of retail prices based on replacement values of goods in wholesale markets.

- 23 • UNITED STATES Shipping Board announces it will grant "lump sum" payment to private operators of 13 government lines for each voyage in place of percentage return on gross receipts.

- 24 • CHICAGO markets sell wheat lowest since 1914-15 at 92¼ for July crop.

- 25 • GOVERNOR REED of Kansas suggests Federal Farm Board buy an additional 25,000,000 bushels of wheat at current prices.

REPRESENTATIVE DICKINSON of Iowa introduces resolution for congressional investigation of fluctuations in the price of securities in Wall Street trading.

- 26 • RATE for call money declines to 1½ per cent in New York, denoting easiest credit conditions in 13 years.

NATION'S jobless estimated at 2,298,588 on basis of figures issued by Secretary Lamont.

GRIGSBY-GRUNOW Company, Chicago, radio set makers, sue R.C.A. and affiliates for \$30,000,000. Violation of anti-trust laws charged.

A Business Record June 11 to July 9

JUNE

BROTHERHOOD of Railway Clerks National Bank, Cincinnati, suspends after withdrawal of \$1,000,000 in deposits. Total deposits \$4,800,000.

ANACONDA Copper Mining Company declares quarterly dividend of 87½ cents, or \$3.50 annual basis, against \$7 previously paid.

- 27 • UNITED CIGAR Stores announce book-a-month "Mystery League" detective stories at 50 cents each.

FIRST 54 railroads reporting for May showed net operating incomes totaling \$54,024,000, against \$80,485,000 in May, 1929, a decrease of 32.8 per cent.

MEMBERS of Wool Institute, Inc., enjoined forever from price fixing in a consent decree signed by Federal Judge W. L. Grubb, New York. Members are said to control 65 per cent of a "billion-dollar industry."

- 28 • BUSINESS survey report made public by Julius H. Barnes, chairman of the National Conference, reveals easy credit conditions and stability of savings deposits.

STREET-CAR traffic decreases in ten years only 15 for each 1,000 of population, according to report of E. P. Waller, General Electric Company.

- 29 • MAY retail trade off two per cent, compared with May, 1929, Federal Reserve Board reports.

NATIONAL CHAMBER'S analysis of American export trade shows first-quarter volume at \$1,129,000,000 is only four per cent below similar period averages for years 1924-'28.

- 30 • SECOND-QUARTER earnings of E. I. duPont de Nemours & Company at \$1.31 a share—\$15,418,000 estimated as net for quarter.

FEDERAL FARM BOARD endorses move among farmers to hold "sufficient wheat off the market to prevent congestion at terminals with the hope it will improve prices."

RENEWAL average for June call loans on New York Stock Exchange, 2.6 per cent—lowest since November, 1924.

JUNE

DIVIDEND disbursements in June, \$486,227,092 as against \$425,001,129 in June, 1929, and \$513,578,426 in May, 1930.

JULY

- 1 • SECRETARY MELLON reports surplus of \$184,000,000 at end of fiscal year.

JUNE commercial failures at 2,026, with liabilities of \$63,130,762, highest this year. Failures for half year, 13,771—an unprecedented figure.

- 2 • ITALY raises duty on imported motor cars by amounts from 100 to 167 per cent.

BOSTON Federal Reserve Bank cuts rediscount rate to three per cent, Philadelphia bank to 3½ per cent.

EXPORTS of wheat flour, first five months, 5,172,344 barrels, exceeding five-year average for similar periods by 694,627 barrels.

- 3 • CHRYSLER Corporation cuts salaries ten per cent "from Mr. Chrysler down."

- 4 • PRESIDENT HOOVER signs Rivers and Harbors Bill authorizing program of waterway development with expenditures of \$144,881,902.

- 5 • SHIPPERS Regional Advisory Boards estimate third-quarter requirements at 8,806,716 freight cars, 6.5 per cent drop from 1929 period.

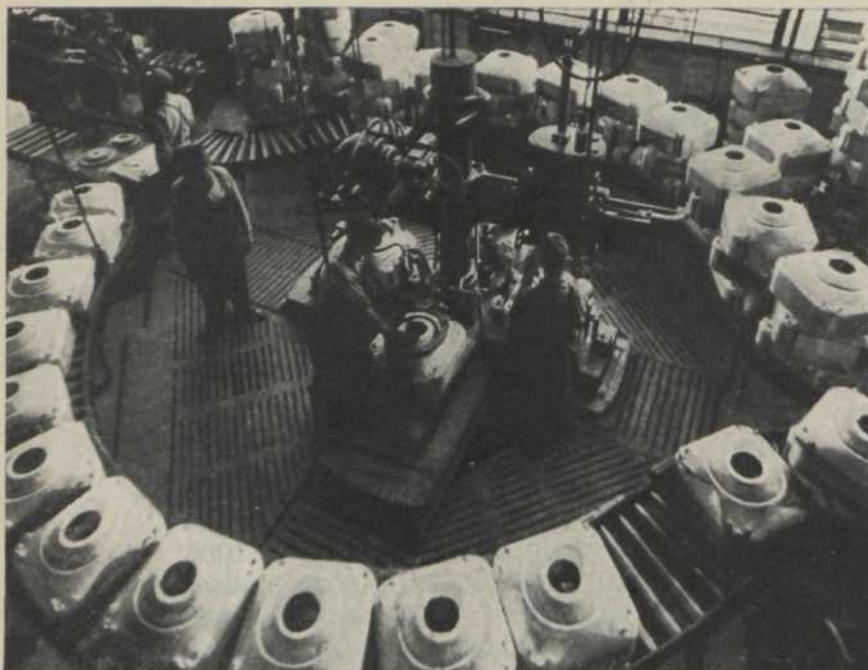
- 6 • CHASE National Bank, New York, reports total deposits in excess of \$2,000,000,000—a world's record in banking.

ELEVEN Hearst newspapers offer \$50,000,000 stock issue to public.

- 7 • PUBLIC offerings of bonds and stocks in first six months aggregate \$3,492,177,000—\$204,147,000 below 1929 period.

- 8 • INTERSTATE Commerce Commission announces rail-rate revision, effective in November—\$12,000,000 gain for western roads.

- 9 • NET INCOME of Class I railroads decreased \$149,357,699 in the first five months of 1930, a drop of 0.9 per cent in investment return.



Newton, Ia., boasts the world's largest washing machine factory. Here is one step in their manufacture

BUELL WILLIAMSON, who represents the Federal Department of Commerce at Des Moines, Iowa, has the real economy and efficiency idea. He often signs his name, "W'm's'n." To make talk the other day, I remarked, "I suppose Iowa exports a lot of stuff to other countries, eh, Buell?"

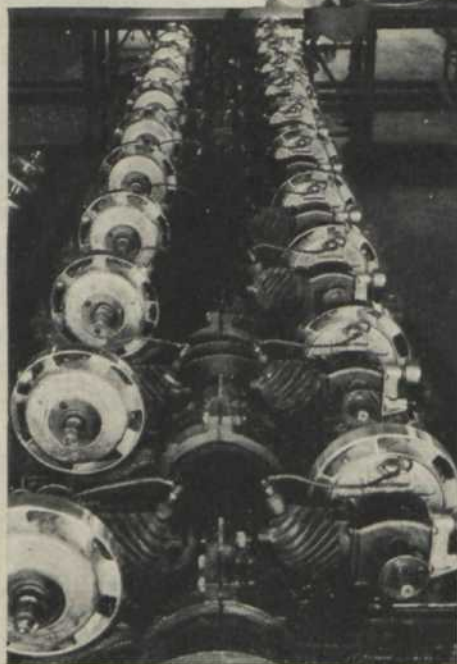
"Well, yes," he said, "we export cosmetics and toilet goods, advertising novelties, concrete mixers, hoists, automobile accessories and tools, pearl buttons, well drills, gasoline and industrial engines, washing machines, canned corn, freight cars, medicines, dairy machinery, surgical dressings, lawn mowers, portable houses, dried buttermilk and dried skim milk, serums, glucose, corn sugar, corn-starch, pumps, gasoline, locomotives, eggs, meat, oleo, oils, incubators, gloves, pump governors and valves, playground equipment—"

He stopped for breath and went on:

"Crackers and biscuits, fountain pens and pencils, rock crushers, automobile trunks, snow removers, loose binders and ledgers, elevators, sporting goods, boilers, agricultural machinery, tractors, farm equipment, fly swatters, trowels and masons' tools, calendars, concrete pipe machinery, refrigerators, furniture, excavators, bulldozers, back fillers, trench-diggers, laundry machinery, oatmeal and rolled oats, rolling window screens, hosiery, gasoline and electrical shovels, cranes, movie cameras and projectors, threshing machines, stump pullers, pop corn—"



At this machine, one of the interior parts of the washer is sized



Gasoline engines, shown here on test, are supplied for washers where electricity is not available

"That's enough," I gasped. "Where do you send this stuff?"

"To Australia, Japan, Central America, Burma, Rhodesia, Federated Malay States—"

To fifty-eight countries

"WAIT a minute, Buell," I said. "Just give me the number, not all the names."

"Fifty-eight countries. We have 150 factories in the state exporting and the first quarter of 1929 they sent out more than 11 million dollars' worth of stuff, the most in five years for that quarter. I haven't the 1930 quarter yet. I forgot to mention the corn we ship abroad, too."

Which brings us into the argument about whether Iowa's farms or Iowa's factories produce the most. I don't want to become involved in it

Has Unsung Rivals in Iowa

By JOHN M. HENRY



IOWA IS justly famous as the tall corn state but everybody has been so busy singing the "Corn Song" that no one looked up the record. That record shows that Iowa factories export to 58 foreign countries and that several of them are the largest in their particular field

because it's rather a heated argument, although one that attracts little outside attention. Ask anyone outside the state what he knows about Iowa and the chances are he will tell you, "That's where the tall corn grows."

That refrain, celebrated in song, has appealed to the popular fancy. Iowa is called the greatest agricultural state.

But ask an Iowa manufacturer and he will tell you that "Iowa's factories produce 76 million dollars annually more than its farms."

Then, strike out for the next town and stop along the road to admire a silo, a heifer or a sunset and mention this figure to a farmer.

"I've heard that before," he will say. "I've got a brother who is running an Iowa factory. But listen, partner, those smoke stack feeders juggle figures. They

count total outputs of all their factories. For instance, a Davenport plant puts out \$50,000 worth of castings. These castings are sold to Maytag, here in Iowa, who uses them in making two million dollars' worth of washing machines. Then the manufacturing fellows add the value of the castings to the value of the washing machines in figuring total output. You can't do that. Then, too, they don't include inter-farm sales."

Whatever the exact ratio may be, smoke stacks and corn stalks grow side by side in Iowa. And, if the world's biggest ears of corn grow on the stalks, some of the world's biggest industries grow beneath the stacks.

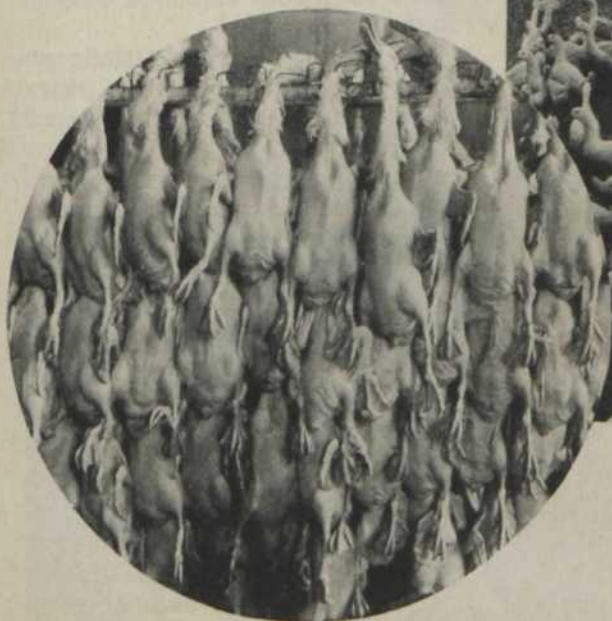
Has removed woman's hardest work

FRED MAYTAG, of Newton, has two of these "world's greatest" records. In his factories he has removed what once was the farm man's hardest work and what once was the farm woman's hardest work—hand-feeding a threshing machine and doing the family wash. First, his factories led



HORTON

Some of the duck-feeding pens at a Clinton, Ia., plant, where 75,000 ducks are made ready for market annually. At left, a rack of ducks on the way to the packing room



the globe in threshing machine self-feeder output; then he switched and for seven years he has held a similar position as to washing machines. He sells these machines by demonstration to the housewife. Maytag employees occupy 40 per cent of the homes in Newton.

Another of the record factories is the Giant Manufacturing Company which makes playground apparatus in Council Bluffs. It is comparatively young. When Clyde Harding, its youthful head, sought to sell his apparatus, he found the market so virgin that prospective buyers couldn't even conceive of buying things for the kids to play on. So Clyde arranged for a number of "competitors" to send playground literature to these possible purchasers. With several concerns circularizing it, the market could only conclude that there must be something in playground apparatus after all.

Another big one is the Lennox Furnace Company of Marshalltown, which makes steel furnaces. I have a letter from D. W. Norris, its president, (he writes from Pasadena) emphasizing the efficiency of Iowa labor. I asked him why he put his factory at Marshalltown, away from raw material. He replied that steel furnaces were rather a specialized product, so transportation costs did not count much.

Calendar industry fights change

BILL COCHRANE at Red Oak runs another topmost industry, the Murphy Calendar factory. Bill right heartily opposes the 13-month calendar because it would make one year's calendar just like another and eventually he'd have no business although for a while there would be a demand for calendars with both the old and new dates on them.

Among Bill's products is a Chinese calendar. They have the old and new dates in Chinese characters.

The Quaker Oats Company at Cedar Rapids, world's greatest oatmeal maker, is making radio dials, pen holders and such articles from oat hulls.

Until the mergers got busy, some called Cherry Burrell at Cedar Rapids the world's largest creamery, and Hanford Produce at Sioux City the world's largest produce house. Now it may be changed. The Victor Animatograph Company, Davenport, is the oldest large concern anywhere making amateur motion picture cameras. A. F. Victory, its founder, still heads the company which sells in 42 countries.

The Shuerman Woolen Mills at Des Moines is one of the few concerns working raw material through all processes to the finished article.

C. W. Hart and C. H. Parr made the world's first tractor at Charles City in 1902. Just recently Hart-Parr merged with



This Ft. Dodge fireworks factory has had no fire loss in 33 years



Fashioning warm air duct elbows at another big Iowa factory, that of a steel furnace manufacturing company, located at Marshalltown

half a dozen other implement concerns in the Middle West.

The canning factory at Atlantic was the world's largest until the Canners' Association signed the pact to prevent a market glut.

Chittenden-Eastman, furniture jobbers, give Burlington one of the "world's greatest." The Burlington Basket Company, with 7,000 acres of timber on the Mississippi River banks above the city, adds its bit. In fact, Burlington is second to, even with, or superior to Grand Rapids in that for which Grand Rapids is famous. I refuse to argue about it.

Postal receipts in Des Moines are larger than those of Arizona, New Mexico, Nevada and Wyoming together. Part of this results from the fact that three of the 24 magazines having more than a million circulation are printed there. They are *Successful*

Farming, Better Homes and Gardens and People's Popular Monthly.

Shenandoah and Council Bluffs can claim the honor of being the world's finest cities in which to be broke. Floyd Musgrove was bankrupt in the former place, then made a fortune selling to patriotic Americans. You've seen his idea. A hole in the sidewalk, uniform flag and staff were what he had to sell. Now he has a portable tourist cabin to market.

Jim Cornwall landed in Council Bluffs with the Kelley-Coxey army in 1894. Now he is the multi-millionaire owner of the Northland Trading Company, competitor of the Hudson's Bay Company.

Largest stick candy makers

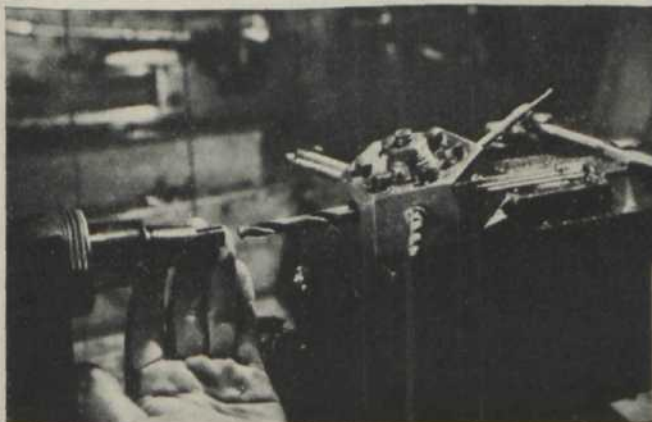
A. LOUIE, French born, sold candy on Council Bluffs streets to send his sick wife to the West. This started Woodward's candy factory, world's biggest maker of stick candy. This company provided candy for the opening of President Hoover's Rapidan School last Spring.

These men and women are operating nib grinders in a large fountain pen plant at Fort Madison, Ia.



This is radite, from which pen and pencil bodies are made

Boring the hole in a piece of radite, the first step in making a fountain pen barrel



Electroplating the inner linings of the automatic pencils



This machine polishes the pen barrels, 106 at a clip. About 9,000 are turned out daily

Speaking of candy, the Underwood Candy Company of Oskaloosa made the hoarhound Admiral Byrd's party took to the South Pole.

The world's largest Aberdeen-Angus herd is at Harlan, in Shelby county, one of the three Iowa counties to resist the 1921-25 urge to have a bank failure or two; the first cash carrier was at Atlantic in the Bostedo store. The tale that the first customer is still waiting for her change is incorrect; the store has moved to Chicago; Mason City has nine factories making brick and tile—another of the world's greatest; the second largest band and orchestra music publishing house in America is at Oskaloosa. C. L. Barnhouse, and Mark K. King, whose works are said to be played by more bands than those of any other composer, live in Fort Dodge.

Gypsum giant

DISCUSSION of big Iowa industries brings to mind an incident of 1868. It is a good answer to the cartoons showing gullible farmers buying gold bricks. In that year an ox team hauled a big block of gypsum from the vicinity of Fort Dodge to Boone.

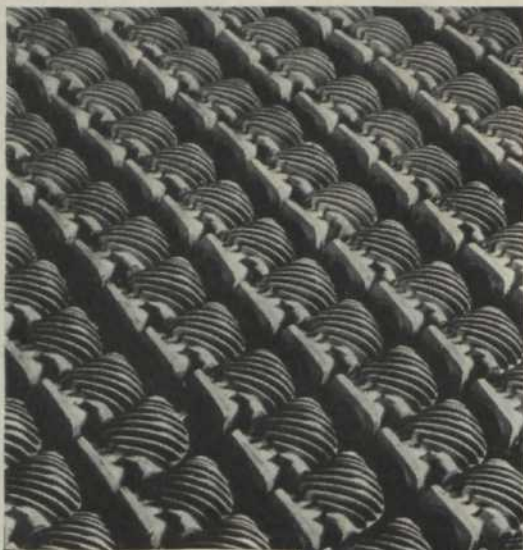
Soon afterward the Cardiff Giant was "discovered" in New York and tens of thousands of Easterners paid their dollars to look at it. Even that old fooler, P. T. Barnum, offered \$15,000 for it. Not until Oliver Wendell Holmes, the poet, bored a hole in the back of the giant's head was the hoax discovered.

The "giant" is now the mascot of the Chamber of Commerce at Fort Dodge, the largest single

center of gypsum production in the world. Fort Dodge also has a fireworks factory, operated by W. J. Martin who, for a third of a century, has paid high insurance rates and has never had a loss. Ankeny also has a fireworks plant, the Great Western Fireworks Company.

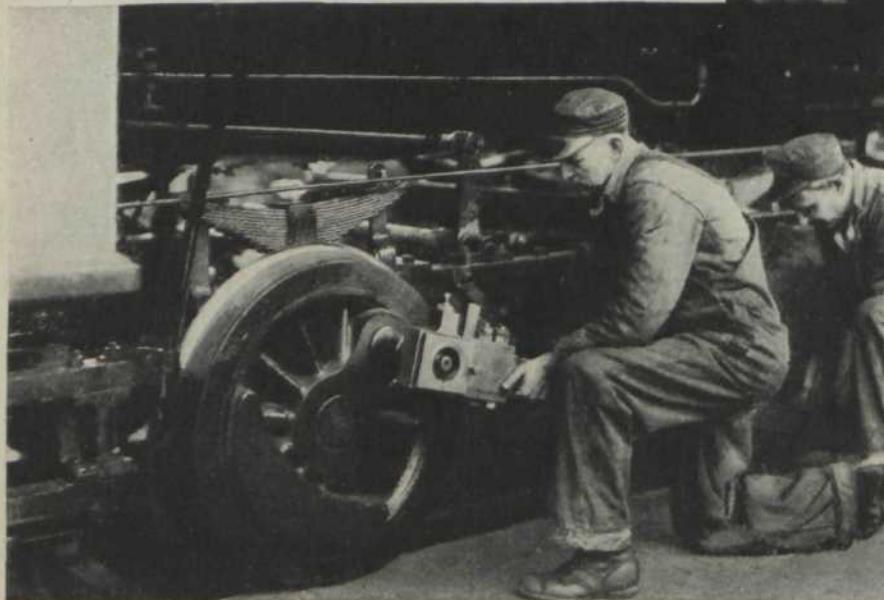
The products of these companies would serve nicely in removing stumps but for those who prefer less radical methods, both Cresco and Centerville make stump-pullers. The Hercules Company at the latter place has just sold 320 of its implements to Soviet Russia. While Centerville helps Russia pull its stumps, the Monarch rock drill made by the Guspech Foundry and Manufacturing Company of LeMars is going through rock at Prieska, South Africa, for water and the La Plant-Choate Company, of Cedar Rapids, is making specially designed all-steel wagons for the coffee plantations of Java.

But not all Iowa products get so far from home. If you or I should build a house and hire ten



A manufacturing company in Davenport turned out these cast gasoline engine blocks

The company also makes bus engines. Here a core is being made for casting the motor head



And, to complete the line, this same company in Davenport makes locomotives. Workmen are attaching a side-rod here

average plasterers and all of them should work at once, six and one-half of them would be using trowels made by the Marshalltown Trowel Company. Or, if we didn't want to plaster, we could use wall board made from corn stalks at Dubuque.

Valves and doughnuts

IF, when we got this house built, it should catch fire, the firemen, quite likely would couple their hose to a fire plug made by the Iowa Valve Company of Oskaloosa.

Of course, Iowa cities and towns all benefit from good roads in the state but Waterloo benefits from good roads everywhere. The Gem Doughnut Making Machine Company is there and

(Continued on page 93)



The companies are proud of the service they have done with loans in panic years

Borrowing on Your Life Insurance

By HERBERT COREY

ILLUSTRATIONS BY FRANKLIN BOOTH

★ **THERE** are times when it is convenient for a business man to borrow money on his life insurance, but insurance men are not agreed that it is a wise thing to do. Sometimes it is wiser than others. Even there insurance men are not agreed, as Mr. Corey found in interviewing several of them to obtain the helpful advice incorporated in this article

superbly safe. The companies are glad to lend money on policies and take a real pride in the service done in the panic year of 1908 and the somewhat slippery end of 1929.

They would do away with the loan feature of policies if they could. Borrowing leads to lapsing. The man who borrows all he can get on his policy is likely to grow discouraged. He may say some morning that he will let the tail

ONCE upon a time—

This truthful anecdote is offered as bait to the reader—

Once upon a time a man out West wanted a horse. With it he could grow rich hauling chattels hither and yon. Men who have horses to sell are always pessimists and doubters. Those he approached chewed straws and looked at him sidewise. After a time each said:

"Yes. I'll sell you a horse. For cash."

Under the compulsion of necessity the man borrowed money on his life insurance policy. In time gratitude flowered in his soul and he wrote the insurance company this affecting story:

"My success"—so ran his simple annual—"began with that loan."

Companies say yes, and no

ONE would think the insurance company would gleam with delight. In fact it wreathed this narrative with morals. Borrowing on one's life insurance policy is sometimes good, said the company, and sometimes bad. Other insurance companies said, "yes," and on the other hand, "no," when they heard the story. The matter of loans on policies is intricate and delicate. Insurance men wish that policyholders would not borrow money on their policies. Yet such loans are profitable to the companies and



She said no when he borrowed on his policy to buy a ring

go with the hide. Yet policies are sometimes kept in force because the owners are able to borrow on them.

The companies would not do away with the loan feature if they could—and they cannot under the laws in most states—because it helps to get business for the companies. They would like to urge their policyholders not to borrow money on their policies on the ground that the loan may prove not to be good business. Yet sometimes a policy loan is life-saving business. Fifty per cent of the loans made on policies at one home office in the period of the 1929 stock market slump were made to enable the borrower to hold on to stocks that were sound even if the prices were not.

No definite answer

THESE contradictions are not contradictions at all. They are merely cited to show that it is not possible to answer the policy loan question, "yes" or "no." Insurance men would like to talk straight talk to their policyholders. If the situation is understood the company attitude toward such loans will be appreciated. As it stands at present a suggestion that a loan on a policy may prove inadvisable may cause the policyholder to get thin about the lips:

"What's the idea?" he may ask. "Is this my money? Or isn't it?"

Of course it is his money. Every penny that he may borrow on his policy comes from the reserve that he has paid in. He may surrender his policy if he wishes and get the same sum with no interest to pay and, of course, with no protection against the future. Yet there are claims on this money which may be explained but never urged. One insurance company undertook to start its policy borrowers to thinking by using a bit of drama:

"When you borrow money on your life insurance policy," it noted, "you are borrowing from your widow."

That line was suddenly withdrawn. Policyholders, it seems, do not care to be told that they are mortal. They detest the thought of clay and tuberose and wet hillsides at night. The remonstrances against the suggestion that business men were trimming their prospective widows in a little sleight-of-hand were so heated that the company

pulled in that line as though it carried a catfish. It is now regarded as a classic example of the wrong way to do a right thing. There is no doubt whatever in the corporate mind that the idea was sound.

This introduction is intended to convey the thought that borrowing on a policy has other angles than the one



Policyholders do not care to be told that they are mortal, and reminded of cemeteries

followed to the cashier's window. Various insurance men were interviewed. Some did not know what to say and said nothing. One said that too much has been said about policy loans and another said that his company had not discussed them and never would. One grew reproachful. The interviewer, he suggested, would play marbles on a high altar. He was that kind of a man.

Among those who discussed a topic of widespread importance helpfully were Albert G. Borden, second vice president of the Equitable Life Assurance Society, and Edson B. Gould, in actuarial charge of this feature of the Prudential Insurance Company's business. They emphasized these points:

"Insurance companies accept the lending of money on policies as one of their responsibilities.

"Prompt repayment is considered desirable for both the insured and the company.

"This can only be made clear to the borrower by education."

Never in insurance history have policyholders made as much use of the loan values of their policies as today. This is not to be taken as an evidence that more people need money, but rather that more people know how to use money. A generation ago the wage earner thought to acquire a competence by industry and thrift. Now he realizes that wise invest-

ment may be a yoke partner of saving and with his surplus he buys something he believes will increase in value. He is likely to think of the potential borrowing capacity of his life insurance policy as a part of his surplus.

"The loan value," he says to himself, "is the cash surrender value of my policy. That is what I have saved during the process of buying protection for my family against the possibility of my death. By borrowing it instead of cashing in I may enjoy its use and still retain the protection. It is as though I were borrowing from the bank."

But it is more than that.

Mr. Gould traced the history of policy loans to their beginning in 1889. No great use was made of them until the panic year of 1908. When stock values went to pot policy owners deluged life insurance companies with applications for loans. The drain on the company resources suggested the insertion of the 90-day clause in policies issued thereafter, as a possible protection to both sides. A similar clause is retained by many savings banks as a guard against ill-considered spending on the one side and the consequence of unfounded terror on the other.

This clause has never been used. There has never been any need of it, so far as the life insurance companies are concerned.

Ready funds for loans

NO finer proof of the solidity of these great institutions and of the fluidity of their resources could be found than in their record after the stock market decline of 1929. Each of the great companies then issued orders equivalent to those given by President Parkinson of the Equitable Life Assurance Society:

"It must be the duty and responsibility of every disbursing officer promptly and pleasantly to expedite the making of loans to those who apply."

It is impossible to estimate how many million dollars were released over the counter to policyholders in that emergency. A hint may be found in the statement of one insurance statistician that in normal times more than 14 per cent of the immense resources of the companies are invested in policy loans. This percentage was vastly increased after the stock slump, of course. In one day the Prudential Company made 2,155 loans on policies. Some months later the number of loans made daily was 1,500 to 1,600, which may be taken as the approximate normal.

At first the applications were from the holders of large policies and the owners of the smaller policies were not heard from until later. As an example of this, in November, 1929, the Prudential made 28,150 loans for a total of \$5,786,119. In March, 1930, there were 36,009 loans—almost 8,000 more—for a total of \$4,435,115, or \$1,351,000 less. The borrowing gradually eased as the need declined. Mr. Gould pointed out that the insurance premium paid may be divided into three elements:

First, the cost of insurance as determined by the mortality tables.

Second, the loading (expenses).

Third, the reserve.

Loans are made on the reserve. The loan value and the cash surrender value are the same.

Early life insurance was written on the basis of a rate that increased with age. As the policy owner grew older the rate became prohibitive in many cases. Then the level premium plan was set up, by which the rate was equalized over a term of years and a reserve created as an equalizing factor. The amount credited to reserve is the cash surrender or loan value on each policy.

Borrowing for necessity

EVERY insurance company has tales to tell of the men who died immediately after cashing in and thus deprived their widows of large sums of insurance. That point need not be labored. It may be assumed that no man ever cashes in an insurance policy until and unless he is compelled. No man with one foot in a bear trap is ever soothed by moral reflections. The wiser man in need borrows against his policy. Neither qualification is invariable, come to think on it. He may not be wise or in need. I know a young man who obtained \$350 on his insurance property:

"See," said he to the girl. "Lookit."

Her knowledge of his financial affairs was fairly comprehensive, and when she learned that the diamond ring had been obtained by reducing the prospective cash value of widowhood she put him on probation for a few more months. Meanwhile he returned the ring and redeemed the policy. This story may have nothing to do with the major trend of this article. It is merely

thrown in as a gratuity. The considerably wiser man takes out "loan insurance" and pays a term rate for the amount of the loan. This is inexpensive, because no premium or other charge is made against the actual cost of insuring. It is a part of the wise effort made by insurance companies to protect their policyholders—on occasion—against themselves. Sometimes the "loan insurance" is not offered by the agent, who is quite human as a rule, and dearly loves to make a few extra dollars for the wife and kiddies.

"Why do you not," the agent may ask, "take out a straight life insurance for the same amount?"

Why not, indeed? Because a straight life would cost considerably more, and would put money in the pocket of the agent which, after all, is not the primary purpose of insurance. Mr. Gould told of one agent who not only picked the wrong policyholder but picked a policyholder who wrote letters.

"The agent is no longer a manager," he informed me.

It is fair to assume, though, that this is a sample of the attitude taken by all companies toward their policyholders. It is not always thoroughly appreciated. When a policy owner wishes to borrow against his policy he feels that he is under no compulsion to pay it back in a hurry. If his note is in a bank it comes due with shocking regularity and the fact is called to his attention in an impersonal but forceful way. The insurance company does not press him to repay.

It could not well do so. He has—actually—borrowed his own money, at a diminution, of course, of his insurance protection. In the meantime the company has gold coin security and profit-

able interest. The transaction would be satisfactory to it except for one thing.

Do loans cause lapses?

A POLICY loan always carries in it the germ of cancellation.

"Some insurance men argue," said Mr. Gould, "that it would be better to have no loan feature in insurance policies because loans often have the effect of destroying the purpose of the insurance by causing lapses.

"Yet this is not a valid objection, for if the loan feature were eliminated less insurance would be written. Furthermore, if the holder could not borrow on his policy a greater number would be compelled to turn their policies in for cash surrender. In such ways the ultimate purpose of protection would be defeated. As it is, 75 per cent of the lapsed-loaned policies are reinstated.

"More than that. Many policies which would otherwise lapse are kept in force by use of the loan value."

Albert G. Borden of the Equitable Assurance Society agreed that many insurance men look on policy loans as inadvisable for the reasons given. Also:

"There is a growing recognition that policy loans are unfortunate for a more far reaching reason. They strike at the root of the level premium plan of life insurance by eating into the reserve and thus interfere with the orderly administration of the policy in the later years.

"Insurance officials recognize that loans tend toward lapsation and it is largely on this account that they are prompted to suggest early repayment. Yet this is a delicate thing to do. In a sense it is not the company's business to inquire into the reason why a loan is asked. Such an inquiry would be resented.

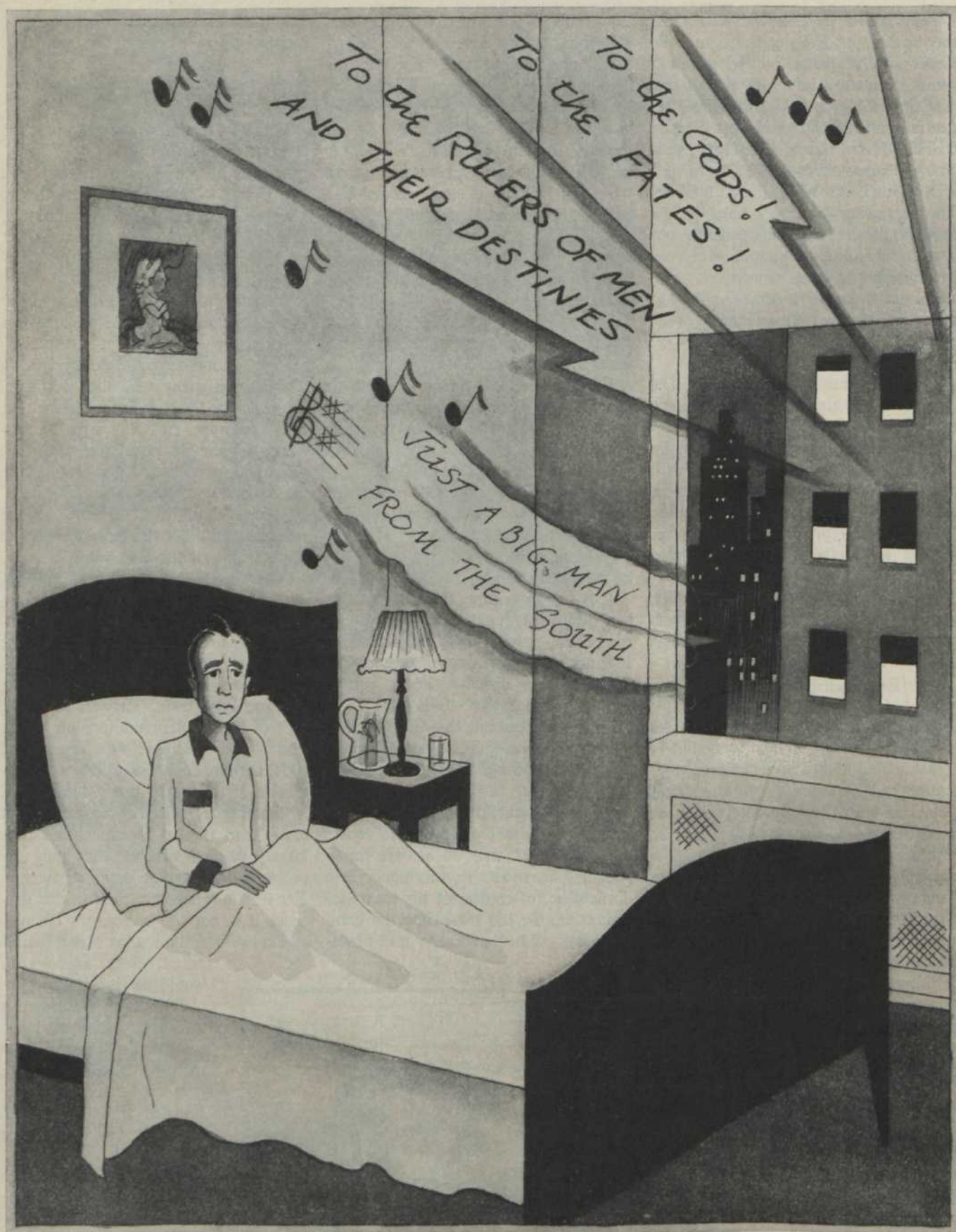
"Generally speaking it is safe to say that the loans are made because the money is needed. In such case cause and effect are mingled and the policy is on the way toward a lapse."

Mr. Borden feels that loans are less frequently made and more frequently repaid when the policy owner has adopted the estate plan of life insurance.

"Under the old system," he said, "a man insured his life for a lump sum. When he died this was turned over to his heirs; (Continued on page 96)



Insurance men would like to tell policyholders the situation so their attitude may be understood



6 • Embarrassing Moments in the Lives of Great Business Men—By Charles Dunn

- ★ M. H. Aylesworth, president of the National Broadcasting Company, after a conference on bigger and better broadcasts, retires to his hotel room for some much needed rest. After two sleepless hours, he's beginning to wonder if perhaps after all the art hasn't already progressed as far as it really should

an arrangement but it has not worked out to the satisfaction of the editor."

Because my guest was and is a fair example of the successful magazine editor I am moved to make a few remarks about the highly hazardous article industry. I call it an industry because only the most industrious and versatile can make a living at it, yet thousands are tackling it.

It looks so easy on the face of it. Three years ago I heard a bright young

dog and pony circus to conservation congresses and symphony orchestras; a disastrous dip into Florida land selling; a profitable flier in musical merchandise and a year's tour abroad on trade extension. Then business offered me another first-class selling job.

But I wanted to get away from selling. The creative instinct was strong in me. So I decided to write for magazines. For seven years I have been free lancing. I have made "Who's Who" and

sult from this entourage was shockingly discouraging.

My office was, in theory, a place where I might work and receive editors. I did work there persistently—until New York friends found out about it; then they, and not the editors, made it a handy trysting place.

When a long job took me to another city, my landlord, a kindly soul, told the janitor to clean up a bit. As a cleaner that janitor was a darb. When I returned to my factory and sales-room everything was gone but the furniture, including the manuscript of a historical novel on which I had ground a year; a raft of painfully acquired material and some borrowed scrapbooks which were irreplaceable.

Trash that's valuable

I TRACED my professional goods and chattels through a New York junkman to a paper mill at Fitchburg, Mass. The paper mill gallantly sifted two freight carloads of paper but found nothing that had ever belonged to me. I moved my plant to a hotel.

That change of factory site was coincident with my parting with my research man after sending him a final check for \$83.30. I still believe he was the best research man obtainable. I shall be glad to recommend him to you now. But for me it is quicker and easier to be my own leg and research man than to outline in writing what I want and then wait for a report. There are too many slants and twists to cover.

The typist was worth the 25 cents a page I paid her. The stuff I turned in to her was double spaced, as all magazine copy should be, but it was liberally interlined in pencil and many changes in the text ran around the edges and to the other side of the page. But, no matter how much she speeded up, other clients were ahead of me. She corrected my spelling miraculously for I am the worst speller in captivity. Yet, by the time her manuscript came back to me, I would be deep in another article and have forgotten all about its predecessor.

Clarence Budington Kelland showed me a way out of this difficulty. "Bud" is one of the most prolific of fiction and article producers. I have known him to have six magazine serials running simultaneously. I had heard that "Bud" knew how to cut



The fact is anyone can write articles but it's a tough job to sell the things

man who had just resigned from the subeditorship of a fiction magazine say over the telephone, "Fiction writing is an art; but anyone can write articles."

That young man parked his charming wife and his *lares* and *penates* in my neighborhood, rolled up his sleeves and went to work. At the end of six months he was still "getting organized." Tennis, golf, swimming, boating and bridge aided him. At the end of two years he moved away, without publishing anything.

Articles are hard to sell

THE fact is that anyone can write articles but it's a tough job to sell the things.

If I seem to be mercenary it is because I have had experience, first as a semiprofessional cornetist, then as a circus bill poster, then as a newspaper reporter.

Then followed experience in promoting trade shows and in publicity promotion for almost everything from a

the exclusive writers' clubs. In a single month I have been published four times in leading national magazines. Theoretically six million people read my stuff! Now I'll take you back of the scenery.

The brutal truth is that the free lancer who would make a living writing articles must be a researcher, manufacturer and salesman. Also he must be his own private secretary and stenographer. From my own experience, it is almost impossible to delegate any of the labor of fabricating and placing of a magazine article. I know because I tried to organize my article business; to cut the corners.

At one time I had a New York office; a special research man; a typist who could read my mind and the worst manuscript in history; and one of the best literary brokers on this continent. The net re-



"I am paid only by my editors," he said

the corners. I asked him about it.

"For 20 years," "Bud" admitted, "I have put three sheets of paper in my typewriter, one for top copy and two for duplicates; have laid out the story and got my characters in mind; have turned out the story and sent it to the editors without any further foolishness."

I shall never get with-in a million miles of "Bud" and I hate typewriting so cordially that I swear continually at my typewriter. But I am getting along without a typist. My copy may not be without its flaws, but the editors stand for it.

As for my broker, it is the theory in the article industry, as well as in the fiction market, that a literary broker saves the writer much time and gets enough more money for the product to cover the ten per cent he charges for his services. I believe this theory is sound, but only for strictly fiction writers.

Though I have placed one fiction serial and several short stories, I have too much respect for fact to be a fictionist and too much training in commercial life to let my imagination get the best of me. So I stick pretty close to articles.

Time is all important

TIME is important in article writing. The magazine market is uncertain. The successful editor knows when he wants or does not want a particular article. If he wants it he tells the writer just how he wants it. Few articles are written without at least one preliminary conference with the buyer, who is the editor and who must have what he wants if he pays you real money.

Before I breezed into the article industry I sold merchandise in many markets. But I have never known a market quite so variable as the market for free lance magazine articles. So I find I save time by having no broker.

A free lance writer must keep his ear to the ground and round table and the telephone if he hopes to know what is going on in the market for which he is manufacturing. That market is limited to less than 20 magazines which pay a living price for articles. The minimum upon which a writer can live is \$250 for a short article, one of about 2,500 words. And that must be a side product for the free lance factory. Old



"Free-lancing isn't a business, it's an error"

Man Overhead is with us always.

It is the scenery that fools both public and amateurs as to the income of free lancers. Those who are not in the game see some writer's name emblazoned on a cover or across the page of a widely circulated "popular" and conclude that "Bill Spivens is getting rich at writing."

Even in professional writing circles rumor runs riot about earnings. "Hank Higgins is getting a thousand dollars an article!" some graduate of a school of journalism will exclaim. Then he and his fresh faced colleagues will use a pencil and do a little figuring. "Fifty-two times \$1,000 is \$52,000 yearly, if Hank does an arti-

cle a week!" one says. That sounds mighty good.

The only trouble is that no writer can produce that many \$1,000 articles a year, and if he could he would have to deduct from his gross income the cost of accumulating materials; travel; rent; telegrams, telephones, correspondence; expert advice and assistance—and normal living overhead. In rare cases a free lance's expenses are covered, when he is after an article, by the purchasing editor, but, as a rule, the free lance pays his own—out of the price agreed upon for the article. And there are darned few \$1,000 articles.

Stories draw more money

ONE of the editors of one of the biggest magazines once told me he would pay \$750 for an article but would double that price for a good short story. That



The paper factory obligingly sifted two car loads of junk but they didn't find my missing manuscript or scrapbooks

is one reason article writers regard fiction writers with green-eyed jealousy.

"You weave your yarns out of your heads," the article manufacturers declare sourly, "while we have to put articles together as if they were picture puzzles; we must leg the facts and then peddle the product before and after manufacturing."

By "after" they mean the interview between editor and writer when the product does not click with the editor. He is the ultimate consumer as far as the producer is concerned. If that ultimate consumer is not satisfied the producer must seek another outlet even though he may be selling his output under contract.

A contract that isn't a contract

THAT contract is likely to be a stumbling block to free lances. My editor friend was right in saying that article writers yearn for some sort of guarantee, such as a minimum income annually. When two or three are gathered together the conversation automatically turns to contract. They seem to overlook the fact that a contract is of no value unless the producer delivers satisfactory merchandise.

I have written under contract many times but the contract was merely a memorandum of agreement as to subject matter and price. And I have rewritten one article three times before I felt that my buyer was satisfied. So I am not interested in contracts. If an

editor will tell me what he wants and what price he will pay I will produce the article in the hope of satisfying him. To avoid possible misunderstanding, a memorandum is desirable but it is a memorandum and nothing more.

If I do not carry out the idea stipulated in that memorandum to the satisfaction of the editor I am wasting time for both of us. All business is founded on ideas. In the article business the most successful free lance is one with ideas which appeal to the buying editor. The editor has ideas, too, but he likes to get ideas from a contributor. The contributor gets his ideas from newspapers and magazines and may get something by observation or chance conversation. Every group of facts is a possibility. When he gets an idea he peddles it, by letter, telephone, telegram or personal call. If discussion of the idea yields an order he turns from salesmanship to manufacturing. When he delivers the finished product he becomes a salesman again.

Many a writer can sell an idea but cannot deliver his merchandise. This is merely one discouragement.

Another discouragement is the great mortality of editors. I recall one year when I was sitting pretty. The editor of one Class A magazine liked my work enormously. The editor of a Class B magazine was equally enthusiastic. Within 30 days the Class A editor was given his walking papers and the Class B magazine changed its policy from

fiction-plus-articles to all fiction. I had to find other outlets.

One of my writing friends resigned from a metropolitan daily where he had a contract guaranteeing him \$250 weekly because the editor of a weekly magazine admired his work and showed, by figures, that the writer could easily make \$20,000 a year as a magazine contributor. The newspaper man had barely entered "literature" before the magazine editor lost his job. That writer stuck to magazine free lancing but he had to step fast to make a go of it.

The market is individualized

YOU see, each magazine has its own "slant" or "field" or "audience." This means, among other things, it has its particular policy and formula for articles. What will go with one will not get by the first reader of another one. A free lancer must study magazines and editors and many interviews with the "chief" are eminently desirable. If the new chief is feeling his way about, the veteran free lancer may help him some. But the editor generally knows what he is shooting at. If your stuff does not suit him it is not up his alley.

By backing a minimum of ability with a maximum of diligence and by preparing about 30 possible articles simultaneously, I have earned \$4,000 in a month and have gone two months without earning anything. One year I cleaned up \$20,000 by working 14 hours a day and indefinitely postponing vacation periods.

I might have made more if I turned "double checker." A double checker is a writer who accepts pay from the purchasing editor and from some individual or concern interested in getting the article published. Which is comparable to a salesman accepting a commission from buyer and seller simultaneously.

The Authors' League of America, Inc., through its inner circle, the Authors' Guild, has made a determined fight on these double checkers and few are now operating. This is surprising in view of the opportunities offered.

One of my writing friends was called to the office of a New Yorker who told him, "I think I have the material for an article for you." Bill
(Continued on page 128)



The free lance must be a researcher, manufacturer and salesman, he must be his own private secretary and stenographer



COURTESY NEAR EAST COLLEGE ASSN.

From Robert College on the Bosphorus graduates spread American culture throughout the Near East

The Classroom Opens a Market

By STANWOOD COBB

President of the Progressive Education Association

FOR the first time in history the Near East is consciously and earnestly setting its face toward progress and seeking to adopt the western scientific civilization.

The most important manifestation of this desire for progress is in the domain of education. A great movement for universal education is sweeping the Near East. Only by education, it is now realized, can these peoples achieve the destinies which beckon to them.

In this educational renaissance the group of American colleges has played, and is playing, a highly important part. Robert College, The American College for Girls, and Beirut University, all founded at the beginning of the last quarter of the nineteenth century, have been offering higher education to the

young people of the Near East for two generations in which they were practically the only means of modern education. Today their prestige throughout

the Near East is enormous, not only because of the high quality of their educational product, but because of the absolutely altruistic basis of service to the Near East upon which they function. These American colleges undertake absolutely no proselyting. They are free endowed colleges supported by gifts and donations from America and organized along the lines of such nonsectarian colleges as Dartmouth, Amherst, and Smith.

Supported by America

MANY millions of dollars have been contributed to these colleges by American business men and women, among them Christopher R. Robert, New York business man who financed Robert College, and John S. Kennedy, railroad magnate who left it an endowment



COURTESY NEAR EAST COLLEGE ASSN.

The son of a Druze sheik is a classmate of these dental students at one of the Near East colleges

of three millions; Mrs. Richard Borden and Helen Gould, who gave generously to the American College for Girls; and Charles R. Crane and Cleveland H. Dodge, whose chief humanitarian interests have been the education of the backward peoples of the Near East, a work to which they contributed not only money, but much time and energy.

The devotion of the Dodge family to Near East education began with William E. Dodge who financed the founding of Beirut University, and has continued into the third generation, Bayard Dodge now serving as president of Beirut University while his sister presides at Robert College as wife of Vice President Huntington.

Into the two American colleges on the Turkish Bosphorus, and the one on the Syrian Bay of Beirut overlooking the ancient Lebanon, pour students of many different races, nationalities, and

and let President Bayard Dodge tell us about the new students arriving for matriculation.

Lands that need building up

HERE is a Mohammedan student from Damascus, from an old aristocratic family with a traditional background. His father owns vast lands, but they have never been farmed by any of the family. That would be beneath their dignity. The lands have been farmed out to tenant peasants and, because of lack of attention, the family income is becoming smaller. The boy, therefore, is going to the American college, with the hope that he may receive training which will enable him to develop the estate to better purpose and straighten out the financial problem.

Next to enter is the son of a peasant from Mt. Lebanon. His father works on

to school, and all their hopes of the future are centered upon him.

Next is an Armenian refugee whose father has been massacred, his mother evicted, his little sister lost track of, he himself picked up, put in the Near East Refuge, and, through the help of a relative in America, given an opportunity to come to college. He comes with about a hundred other Armenians. He lives in a cooperative club for nine dollars a month, which covers board, lodging and laundry. He works in the college carpentry shop, plays in the college orchestra and gets on very well.

Then there is a student who registers under a name which means "servant of light." He is jet black! He has come with four or five students supported by the Government of Sudan, where he has been attending Lord Kitchener's college at Khartum. He is going back there to teach in the Engineering College.

With him is another tall, attractive negro, whose father is a high official in the Sudan Government.

From the deserts

THE next boy is the son of a Druze sheik. He wants to become a doctor or a dentist. He says that the old ways of his father and the Druze tribe are disappearing and that, if he does not get a modern education, he will never get ahead.

Here comes a little boy, looking exactly like a monkey. He wears a tight-fitting suit, evi-



COURTESY NEAR EAST COLLEGE ASSN.

Not American co-eds but students of Constantinople Women's College

religions, 26 nationalities and 14 religious sects being represented in the University of Beirut.

It is a valuable experience for these various races and religions to learn to live together in harmony. "Religious Tolerance" is the motto of the University. Chapel attendance is not obligatory, but some eleven-twelfths of all students come to the chapel services once a week, Moslems, Jews, Christians rubbing shoulder to shoulder.

It is interesting to see the widely varying types of students that attend these colleges, and the motives that impel them to seek the American type of education. Beirut University attracts a most picturesque group.

Let us stand in an unobtrusive corner of the registrar's office at Beirut



COURTESY NEAR EAST COLLEGE ASSN.

Moslems, Jews and Christians of many nationalities unite in the common study of histology at Beirut University

a farm. His father and mother cannot read or write. They made up their minds, because he is a bright boy, that he should have an education. They have made great sacrifices to send this boy

to school, and all their hopes of the future are centered upon him. On his head is a beautiful Arab headdress. From his pocket he produces the most extraordinary letters of introduction. He is so terribly embarrassed that the



COURTESY NEAR EAST COLLEGE ASSN.

Life at the Near East colleges is not all work, for American sports have a place in the program

registrar chats with him to get him at his ease.

"It is nice to see you. Did you come by automobile?"

"Yes."

"Where is your home?"

"I have no home. We live in tents."

The registrar then looks at the letters of introduction. They come from high officials, and it seems his father is a Sheik of the Sheiks of that great desert between Syria and Mesopotamia.

Here he is—a little boy brought up with camels and Arabs living a Bedouin life and his father the grand chief of the chieftains of the tribes of this region—coming to be a little cog in the great machine of the University.

One of the most important students attending the University is the son of the head of one of the leading Mohammedan sects of Mesopotamia, a man who has given to his family tremendous prominence and power. He represents the old aristocracy of Mesopotamia and is almost as important in that country as is the King Feisal. From a beautiful palace full of Oriental rugs and luxurious appointments, this boy has come to an institution where he is to mix with Armenians and with peasants. Yet he is as simple and democratic and diplomatic as any boy can be.

What a tremendous lesson in democracy these students acquire! In the competition of the classroom, of sports, of literary societies, of class organizations, they find that merit and ability alone count.

Many students are sent to the University to represent officially the different governments and religious societies of the Near East, their way being paid. Thus, King Feisal of Iraq,

a country which until seven years ago was so isolated as to have no contact with modern life, now is sending 27 students officially to the University. These students come from a land where their parents are ignorant, frequently provincial, and have never seen anything modern.

Religious societies send students

THE Palestine Government is supporting seven students at Beirut. Other governments officially represented are Transjordan, Iraq, the Sudan, Ethiopia, and a little principality on the Persian Gulf. Religious societies also cooperate with the University in sending students through the College, among them, the Greek Orthodox Patriarch; the head of the Bahais; the Palestinian Mohammedan Society; two Mohammedan societies in Syria; the Shiite University of Iraq; the Druze Educational Society; the Catholic Archbishop of Moseul; and the Armenian Educational Foundation.

These students bring with them the superstitions, prejudices and intellectual and cultural limitations of their various peoples; but modern education gradually molds them into a common intellectual type. More and more they approximate the twentieth century scientific intelligence and mentality. Those who continue their education in American or European universities acquire still more of this cosmopolitan quality and outlook upon life.

"Although all the graduates are far from what their teachers would like to see them," says President Dodge, "it is striking to notice that even the worst of them are usually marked persons in

their vicinity, considerably higher than the strata of life around them. At best, the graduates are the true leaders of their communities, helping the people to understand modern civilization in a constructive way."

When one follows these Oriental students out into the world of affairs, one finds them exerting a powerful influence in their communities.

Constantinople College, for years the leading college for women in all Asia, has been a great factor in the New Woman movement of the Near East. Its first Turkish graduate, Halide Edib, has become world famous as a feminist, writer, and patriot.

One high tribute

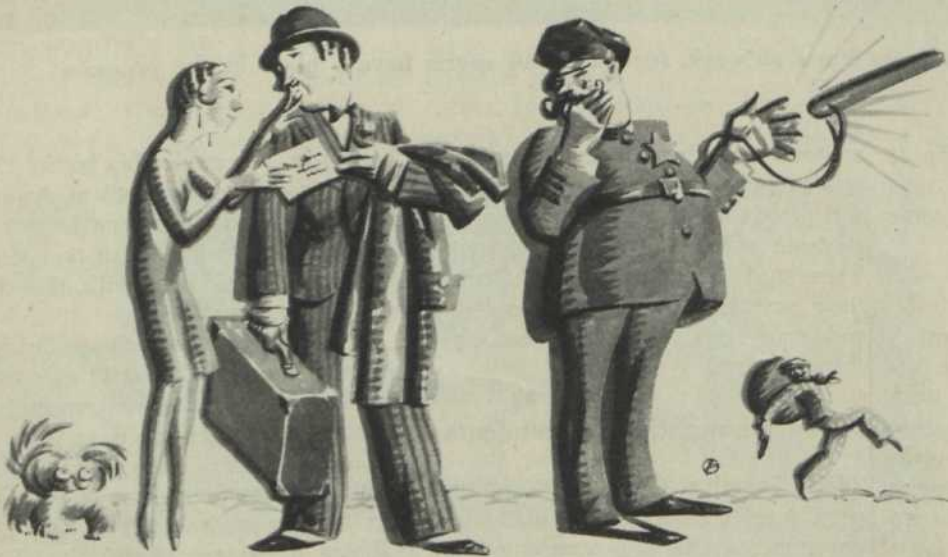
THIS brilliant thinker and stateswoman—called the "Jeanne d'Arc of Turkey"—has expressed more perfectly than any other Oriental the cultural beneficence of American education. In her first article to the Turkish press after the Turkish Revolution of 1908, she wrote the following beautiful tribute to her Alma Mater:

With the finest subtleties and the broadest realities of civilization and humanity, you extended knowledge to the darkest horizon of Turkey, O Institution. And you, honored women, yea, you teachers, who left your own land to elevate and enlighten the dark corner of this freedomless, portionless land—you have struggled to bring light to Ottoman soil, to Ottoman civilization, fighting for learning and culture. The large ideas from which Turkey was shut out, the great feelings which were opened up to me in your classrooms, the ideas to which I was led in your libraries, showing

(Continued on page 114)

The Government Is Not

NO government, however efficient, can do business as cheaply or as well as private enterprise. The reasons, as explained here, are fundamental



The Post Office has an ironclad monopoly. If you are going to New York and your wife gives you a letter to hand to her sister, you are breaking the law

that referring minor matters in the far-flung Indian Service to Washington was not good management. It multiplied red tape and intensified bureaucracy.

He worked out a plan for decentralization. He chose eight of the best men in the service, made them district superintendents, set it down that they should be held responsible and that all matters not of the first magnitude should clear through them. This change in the old order was quite a wrench. The field service instinctively clung to the procedure it had followed for a lifetime.

Then the bureaucrats in Washington began asking field representatives for the information they had been accustomed

to get. The field service, taking the hint, went back to the old method of reporting. The district superintendents were left twiddling their thumbs.

Matters happen in this way in the government service. In theory at least they are different in business. The urge, of course, is different in the two spheres. The commercial world has a more definite measure to apply to any activity than the Government has. This measure is profits. Without profits any commercial activity ceases to exist.

The Government does not concern itself with profits and losses. It handles details of administration or it renders a service. Having little concern but administration, it is practically without the competitive drive of business or industry.

When the Government spent twice as much money in digging a tunnel itself as it would have cost by contract no great fuss was raised. To be sure the Reclamation Service has since gone over

SOME years ago the Government found itself facing the task of running a tunnel under a mountain out in Colorado that water might be diverted to irrigate a desert. It advertised for bids and a reputable contractor put it down on paper that he would bond himself to dig the tunnel for \$1,500,000. The Government thought this was too much. It decided to drive the tunnel itself. It did so. The cost was three million dollars. Critics have suggested that this was bad business.

A dry-as-dust scientist sat in an alcove of the Bureau of Standards for 20 years studying the radiation of the stars. Nobody seemed to check on the results or lack of results he obtained. Nobody seemed to worry about the money spent on him. This may have been because few people knew he existed.

A division chief with 40 clerks under him found that four of them were no good. One was a cousin to a Senator

and, had he been discharged, would have brought political pressure to bear. It is bad policy for a government agency to arouse the enmity of a Senator. Another was an agitator. He would have appealed to the bureau chief, to the Secretary himself, to the National Federation of Federal Employees. There would have been a long and unpleasant fight. One was a middle-aged widow who could not have gotten another place if discharged, would have faced tragedy.

A fourth clerk was merely shiftless. He hadn't a friend in the world. He could have been discharged with impunity but his chief was square enough not to let him go and keep the rest. A situation peculiar to government service existed here.

Difficulty in reorganizing

DR. Hubert Work, presiding over the Department of the Interior, decided

a Business

By William Atherton DuPuy

CARTOONS BY LOUIS FANCHER

to the contract method of construction. It has been demonstrated a thousand times that structures can be put up more cheaply by contract than by day labor. Wise private builders universally follow this method.

Not an efficient builder

IN BUILDING by day labor the Government doubtless faces a greater handicap than would the private concern. The absence of the yardstick of profits leads to a more leisurely spirit. The Civil Service guarantees security of employment. When the work slackens and men can be spared they are not laid off as readily as in private employ. Tasks are brought to a conclusion slowly. They are likely to go on three or four times as long as contract jobs.

A striking example was Wilson Dam at Muscle Shoals, in Alabama. The Army engineers estimated that it could be built for ten million dollars and a

contract doubtless could have been let at that figure. The Government decided to do the work itself. Five years ago 40 million dollars had been spent and the job was not yet completed.

The Government subscribes to the general policy of building by contract. Where it proceeds otherwise, it admits, it is in competition with private business and its policy is not so to compete. It still maintains navy yards and builds battleships in competition with private ship yards and it still builds levees along the Mississippi in the same way. By and large, however, it is out of this day labor game.

Business often employs scientists but usually with specific problems in mind. It would not have been likely to keep one studying the radiation of the stars for 20 years. The Government itself ordinarily does not employ specialists to

study science for science's sake. It may not, however, hold them so strictly to the practical as does business.

The scientist's theory that a fact established may at any moment find its practical application is more likely to prevail in Government than in industry.

An application of science

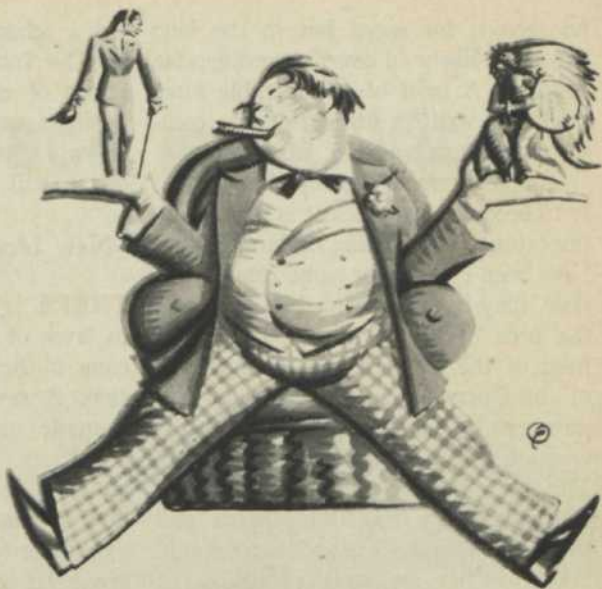
THIS scientist who played with heat and light rays, for example, was given a lot of time without showing any return. One day, however, the War Department addressed a letter to the Bureau of Standards. When soldiers went into camp in the summer time, it said, it got very hot under the army tents. Could anything be done to lessen this heat?

The inquiry was referred to the man who had been studying stellar radiation. Yes, he said. If the army tents were painted with aluminum paint the heat would not come through. Since the subject was brought up he might add that roofs might be similarly painted with a like result. Ice wagons should have aluminum paint on their tops. But radiators for heating houses should not.

As a matter of fact, half the radiators of the nation were at that moment covered with aluminum paint. Most of the popular gilt was aluminum. The householder with his radiators so painted who burned 15 tons of coal in the winter could get as much heat out of ten tons if he would substitute lead paint.

The public, having paid the salary of this scientist for 20 years, had cashed in.

The government charger is not ridden under whip and spur. He is likely to assume a comfortable jog. He may break



The Indian Service was decentralized but it soon returned to where it was



Although the theory has been proved false, many politicians still hold the belief that the soldier vote must be bought

no records for speed but in the long run he is likely to cover a considerable distance. A brief of considerable force might be written supporting the comfortable jog as a proper labor gait.

The government agency that is likely to become least efficient is that whose importance is declining. A bureau may have been created for some robust purpose, may have performed its task, and the need of it may have passed. The need of the Office of the Comptroller of the Currency, in the Treasury Department, for example, passed with the creation of the Federal Reserve system. The law intended that it and National Bank Currency should disappear and that the Federal Reserve Board should take over its remnants of utility. It did not specifically provide for its passing and now, a decade and a half later, it is still alive.

Oddly the Treasury Department, currently considered to represent vast power, is one of the most routine of government agencies. It collects taxes, a task of infinite detail. Income tax collection, especially, where every man's return must be studied, where there are many opportunities for corruption, is one of the most difficult tasks in the world.

The Public Debt Service, which keeps books on the outstanding securities of the Government including its 700 tons of paper money; the Commissioner of Accounts and Deposits has infinitely difficult tasks but they are largely matters of detailed administration. These tasks, however, go on through the decades. Competent men are likely to come to the top in their execution. Secretaries and under secretaries of the Treasury are likely to be efficient men.

The top executives

IN a private enterprise that in any way compared in magnitude with Treasury operations they would have been promoted to their posts after decades of faithful intelligent service. One of the striking differences between government and private operations lies in the fact that the top executives are obtained in different ways.

In the larger bureaus it is hard to change the established methods of the permanent personnel. The machine is so big, its weight so great, its accustomed groove so well cut that it is difficult for the newcomer,

put in charge of it, actually to divert it. The Indian Bureau is now in the hands of efficient executives from the business world. They want to change the whole tone of it. Their attempts to do so will be worth watching.

New blood in the departments

THERE is much to be said, however, in favor of the occasional changes that come in the higher posts of administration. A new Postmaster General, for example, may have a penchant for accountancy. He will balance the books on every activity of the Department, find a yardstick for each, determine which services yield profits and what losses. He will get the department on its toes in this respect.

An assistant Postmaster General may specialize in crime and its detection. He will inspire the post office inspectors, revive the bloodhound instincts that they brought into the service when they were young and enthusiastic. One chief and another brings peculiar abilities to the service which prove a constantly enlivening influence. New blood is more frequently introduced than in business.

This Post Office Department comes nearer being on the basis of private business than any other. Not that it has any competition. In fact it has a much more ironclad monopoly than most people realize. If you live in Philadelphia, for example, are going to New York, and your wife gives you a letter to deliver to her sister, and you deliver

it, you have violated the law. If a mail order house in Cleveland gets a package of orders that can be better filled from its branch in Cincinnati and sends that package along by express or messenger, it violates the law.

It is not competition that makes the Post Office Department more nearly like business. It is the fact that it tries to make its services pay for themselves. This is a bit of a spur but it is known all the time that if the Department does not make ends meet Congress will give it an emergency appropriation.

Another weakness in Government lies in the likelihood that new and popular agencies, or agencies having some element of political or emotional attractiveness may be pampered, overindulged, driven to waste and profligacy. There is the Veterans' Bureau, for example, the most expensive of all government activities. Its present appropriation is 560 million dollars. The estimates for next year are larger. I venture that it could give adequate care to every deserving service man for 360 million dollars.

Buying the soldiers' vote

THE Veterans' Bureau is not to blame for the liberality of its appropriations. It is said in Washington that high officials of the Bureau have often gone secretly to the Bureau of the Budget and asked that they be given less money. The Bureau of the Budget, taking its key from Congress, has not cut the estimates as it knows it should.

The task of the Veterans' Bureau has been to spend these over liberal appropriations. Nobody knows whether they are spent wisely or foolishly. Nobody seems to have the temerity to suggest that the facts be ascertained. Politicians of all parties have long held to the theory that the soldier vote had to be bought. They still hold to that theory although it has often been disproved.

President Coolidge, for example, vetoed the soldier bonus law. Senator Borah fought it tooth and nail. Both men subsequently came up for election and received heavier votes than ever before.

If, in private business, a man is put in charge of an enterprise and he saves a million or makes a million he is likely to be rewarded. Not so in the government service. A specialist in the

(Continued on page 126)



For 20 years a government scientist studied the radiation of the stars

Women's New Place in Politics

By EDITH NOURSE ROGERS

Member of Congress from Massachusetts

●
HAS a decade of suffrage given the American woman a greater interest in public affairs than she used to have? Mrs. Rogers believes it has and that this interest is affecting the business side of government. She draws on her long experience in Congress for incidents to support her views

THE American woman has been in politics for ten years. Has a decade of suffrage given her a greater interest in public affairs than she used to have? Does she pay more attention to the business side of government than she did when the men in the family were the only voters?

I believe she does, and the new interest of the American woman in the business side of government shows itself in many ways. We find it, for example, in the questions she asks about the tariff, in her emphasis on aviation and foreign trade, in her ready appreciation of the fact that Uncle Sam is entitled to get as much for his dollar as the thrifty housewife, and in her desire to extend the principles of the family budget into governmental finance. She has made a fine start, and she will soon, I feel sure, have as intelligent an understanding of the Government as a business, as her husband, the manufacturer or factory worker, or her father, the bank president or farmer.

Running the Government of the United States, after all, is largely a business proposition. Congress spends four billion dollars a year to keep the wheels of the Federal Government in motion. States, cities, counties and villages swell the expenditures by many more billions. How this money is spent

is just as important to the women of the country as it is to the men. It is easy to understand why this is so.

Woman holds the purse strings

THE American woman for generations has controlled the family pocketbook. She is the spender of the household. She buys the clothes, keeps the budget, and often determines how much life insurance the head of the family should carry. She orders the furniture for the home, decides whether or not the bank balance can stand a first payment on a home and, as often as not, tells her

husband whether he can afford to join a country club.

Most men, furthermore, leave insurance to their wives when they die. American women thus have in their hands the spending of millions left to them in insurance policies. There is well over 100 billion dollars of life insurance in force in the United States today. Of this at least 70 per cent is payable to women. By the end of the next generation or before, therefore, approximately 75 billion dollars will have been paid to women from this source alone, and this vast sum will be invested by or for them. In European



UNDERWOOD & UNDERWOOD
"Should I vote against what my district feels to be its interest the women would soon make known their displeasure"

countries, comparatively few women have charge of their own personal fortunes. In the United States the number of fortunes in the hands of women is surprisingly large.

American women, again, are entering business and the professions in force. They compete on the same terms as men, and do substantially the same work. Many women have achieved signal success in fields where men once ruled supreme. They have made their mark in real estate, life insurance, medicine, the law, architecture and scores of other occupations.

These are some of the factors which help to explain why women, possessing the vote, are showing a vastly increased interest in the Government. Women are bringing politics into the home. The men in the family have ceased to monopolize its political views. What Congress does affects the woman as much as the man. If the housewife has to pay more for food or clothing, she wants to know the reason, and in finding out, she is likely to do a little thinking for herself. She not only wants to know why, but she also takes steps to find out whether she has any remedy at hand. You meet few wives nowadays who depend on their husbands for their political views. The woman's vote is as good as the man's and counts for as much. On the political highway, the American woman travels under her own umbrella.

Women follow political affairs

NO HOLDER of an elective office can now afford to neglect the woman voter. In Lowell, my women constituents know as well as the men how I vote on the measures which affect the economic welfare and prosperity of my district in Massachusetts. Were I to vote against what my district feels to be its interest, the women would be among the first to make known their displeasure.

American women do not fully realize as yet the potential power to influence business legislation that is in their hands. The power has been theirs, perhaps, for too short a time. But the time is coming when they will turn their attention as zealously to the business problems of the Government as they have to the science of household economics. In the home a woman can make a dollar go farther than a man. Now that she has the vote, she ought to be able to do the same thing for Uncle Sam's dollars. As American women awaken to the power that is theirs, I believe that nowhere will their influence be felt to a greater

BUSINESS FOLK IN



TALLEST

Fred T. Ley built the Chrysler Building, tallest skyscraper—at least the tallest at this writing



GLASS

John D. Biggers, recently Toledo Chamber secretary, is made head of Libby-Owens-Ford Glass Co.



WORKS UP

Formerly a secretary in Namm's Department Store, Brooklyn, Bess Bloodworth is now vice president



"GASSED" GAS

Walter Teagle's Standard of New Jersey begins large-scale production of hydrogenized gasoline



NEW BOSS

The new head of the Radio Manufacturers Association is Morris Metcalf, Bosch Magneto official



IN NEW FIELD

Ex-combustion engineer, Harlow D. Savage is now "selling" the theater as Theater League head



THE MONTH'S NEWS



CHECKS SHIPPING

The President gives H. G. Dalton, of Cleveland, the job of studying Shipping Board policies



AMBASSADOR

W. Cameron Forbes, Boston merchant and banker, leaves Haiti post to become envoy to Japan



VERSATILE

From political activities, Mrs. Charles Sabin turns to the interior decoration of new Waldorf



MEDIATOR

From city-managing Cincinnati, C. O. Sherrill goes to Kroger Grocery's public relations division



AWARDS MILLIONS

War Claims Judge J. W. Remick awards \$75,000,000 to owners of German ships seized during war



FUND MANAGER

The Newark Bambergers asked Abraham Flexner to administer the millions they gave to education

degree than in a more intelligent spending of the people's money.

In government, as in the home, women appreciate the fact that to get the maximum for your money, you must be willing to spend where necessary. A house that is not painted runs down and depreciates in value. No woman needs to be told that. The government plant must obey the same law. It is poor policy to save in necessary construction and repairs and then find that you must spend in the end, and all at once, far more than the amounts annually needed to keep the plant in good repair.

Her long household training gives a woman an appreciation of the need of judicious expenditures. She is not penny-wise and pound-foolish. I have little sympathy with those who feel that Uncle Sam needs a housekeeper, and that the job of a woman who enters public life is to save the pennies. Women can be just as generous spenders as men. It is a poor compliment to the woman in politics to think of her only as a penny snatcher.

Modernizing helps progress

WHAT is true of government and the home applies equally to industry. A textile mill can often turn losses into profits by installing modern machinery, and putting into effect some modern progressive ideas. You sometimes have to spend money to make it.

"What are you doing?" I once asked a woolen manufacturer whose mill was in some difficulties.

"Nothing," was his reply, "just waiting 'till business becomes good again."

What he needed, perhaps, was some new machinery, and a few modern and progressive ideas.

So, too, with foreign trade, which may spell to the United States the difference between prosperity and depression. I find among women a great and a growing interest in our foreign commerce. They can easily see why the Government must make an initial expenditure for trade commissioners and promotion work to lay the foundations for the future profits of the American exporter. The American salesman who goes abroad with his trunks full of samples does not need to explain to American women the relationship between his work and that of the prosperity of the mill or factory in Massachusetts, New Jersey or Illinois.

There is no reason why women should not succeed equally well in politics as in business. Not every woman, how-

(Continued on page 120)



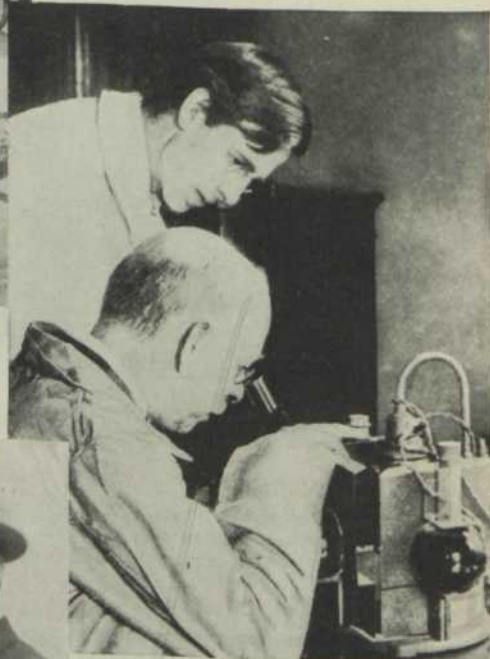
Pilgrims to Success Ride

By L. H. ROBBINS



WIDE WORLD PHOTO

Henry Ford's hobby is collecting early Americana. He loves to spend his time reading by the fireplace in the Wayside Inn



KEYSTONE VIEW

J. E. Barnard working with a microscope of his own invention. It magnifies the object 12 million times



KEYSTONE VIEW

A hobby has made Dr. John A. Harriss an expert on traffic control

BERTRAND RUSSELL spoke recently, in the pages of this magazine, of a misfortune that he sees waiting around the corner for men today—the misfortune of becoming the servants rather than the masters of the world's wondrous new industrial machine. That machine, invented to set us free, will turn us into robots unless we watch our step; and the lowly are in no greater danger from it than the men at the top. Thus argued the British philosopher.

But he went on to point out an easy way of escape from such a fate. He said, "There ought to be more leisure for pursuing the kinds of work that can be called hobbies."

A fellow countryman of his puts the thought in another way. Sir Esme Howard says that the English-speaking peoples in their eager quest for material success run the risk of finishing as spiritual failures. When they go in for nonstop careers and drive hard for a single goal, they miss the joy of stopping along the way to do a bit of handiwork or study

or play for no reward but the fun of the thing. They pass by a worldful of chances to broaden their experience and enrich their souls.

Those who are happy in our jobs may reply that business is fun enough. What do we want of leisure? What should we do with it?

All the same, the psychologists agree with Sir Esme and Mr. Russell. They tell us we need relief occupations and

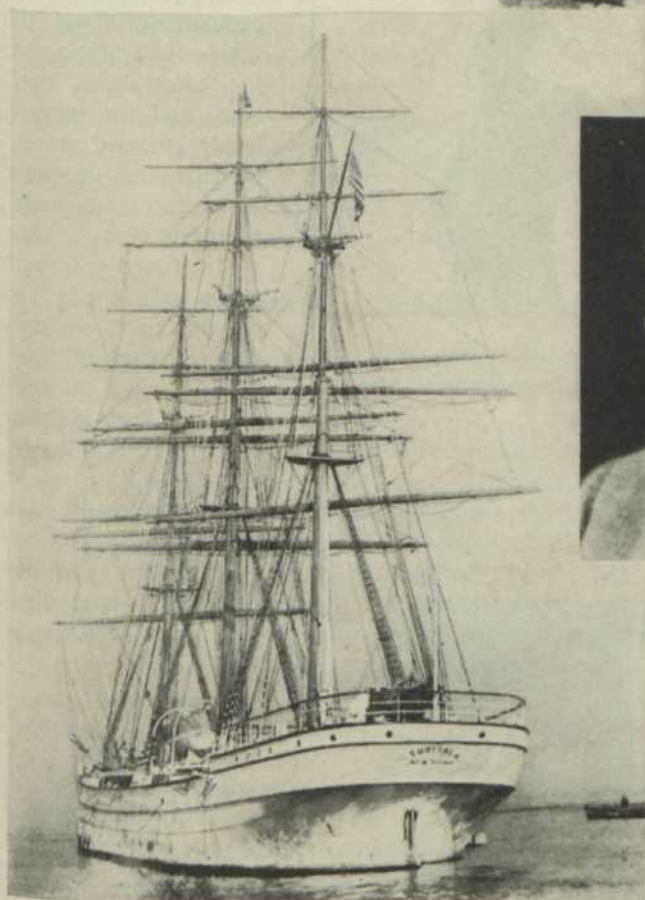
Hobbies

A GERMAN proverb declares that hobbyhorses cost more than Arab steeds. Perhaps they do but psychologists assert they are worth it and many prominent business men are proving the truth of the psychologists' views



WIDE WORLD

Charles Schwab is as proud of the fine horses he raises on his model farm as of his success in the steel industry



PACIFIC AND ATLANTIC

The "Tusitala," Mr. Farrell's hobby



KEYSTONE VIEW

James A. Farrell

that he might be in his chosen calling.

Such a man may be said to hop through life on one foot, although he has two perfectly good feet to travel upon—and a pair of hands, besides, with which to turn rejuvenating cartwheels now and then. He has a hundred possibilities for enjoying himself and the universe, and he wastes 99 of them.

Dr. James Harvey Robinson, author of "The Mind in the Making," wonders that men capable of turning their
(Continued on page 90)



WIDE WORLD

Mortimer J. Fox gave up banking to paint

spare enthusiasms if we are to possess to the full our birth-right of life. They say it is against nature for a free-ranging creature to grow a shell and shrink within it—and there is always a price to pay for bilking nature.

Most of us in these times are specialists of one sort or another. But the philosophers warn us that the man who lives, moves and thinks in one kind of work alone is not likely to be a towering success as a human being, nor yet the success



"I can't see how better railroad service has helped us," said the merchandise manager

Do Railways

By WILLIAM S. DUTTON

DECORATIONS BY GEORGE ILLIAN

IT WAS the grizzled railroad executive who launched the argument. The club waiter had cleared away the luncheon dishes, filled the coffee cups, and passed the cigars. The railroad man squared back in his chair, cocked his cigar at an acute angle, and gazed in the general direction of the grill-room ceiling.

"Yep-p," he drawled, "your mass-production experts would be feeling pretty sick by now if it hadn't been for the railroads coming to their rescue when they did."

"Rescue? Sick from what?" asked the manufacturer's traffic agent.

"Stocks," said the railroad man grimly. "Not the kind they play with in Wall Street but those that go into inventories. If business this year had had the kind of railroad service it was getting back around '20 and '21, all of the King's medical corps couldn't have cured its inventory bellyache."

He jerked a blunt thumb toward a window, through which a grimy mountain of red bricks could be seen.

"Off there's a factory. Take a look into its warehouse and you'll find that it holds less than a third of the stuff it had on inventory ten years ago. Why? Because they know that as fast as they need raw materials the railroads will deliver them.

"That factory is just one. Every warehouse in the country is lighter, with few exceptions, and some have been abolished entirely as such. Wholesalers now carry smaller stocks. So do retailers generally. Money, millions of it, that a few years ago was tied up in inventories is now helping to fill pay envelopes, to spin factory wheels, and to finance sales campaigns, advertising and what not.

"Take that money out of circulation and put it back into frozen warehouse stocks, and pouf! where would your mass-production efficiency be, and business with it?"

"And you insist that the railroads are responsible for releasing all of this money?" demanded the construction engineer challengingly.

"Why not?" snapped the railroad man. "Without the increased speed, regularity and dependability of deliveries business wouldn't have dared to cut inventories as it did."



"Style fluctuation has made the retailer buy from hand to mouth"

His glance swept his companions about the table—the traffic agent, the construction engineer, and the meticulously groomed general merchandise manager of a great eastern department store.

"Improved transportation has made the present pace, volume, and efficiency of business possible," the railroad man flung at them.

"Call that a bit of ballyhoo if you like, my friends, but nevertheless it's fact!"

The merchandise manager blew a thin stream of cigar smoke. His smile was skeptical.

"Perhaps you are right to the extent that your claim has to do with the inventory of the manufacturer," he granted, "but just how has better railroading contributed to stock reductions in retail stores?"

Style forced low inventories

"THERE isn't any question that retail stocks are smaller. But as I see it, based on the experience of my own store, a factor other than the railroads has been primarily responsible for lower inventories."

"What?" demanded the railroad executive.

"Style," said the merchandise manager. "Fluctuations in style have become the rule since the war. No longer dare the retailer buy months in advance of demand. The style leaders of October may be as dead as the proverbial doornail by January, and what sells in March may be as obsolete as bustles in June.

"The result is that the retail buyer must work on the smallest time-margin possible and hold his purchases down to the minimum at an order. Similarly the manufacturer is forced to keep his inventory at a minimum, because he can't foresee style changes any better than can the retailer.

Set the Pace for Business?



INDUSTRY and business have advanced fast and far in the last decade—and in that advance the railroads have played a vital part. The better transportation they have provided has added to the efficiency of the business community in ways as many as they are unsuspected

"It works out in this way. The manufacturer, say, of women's shoes, first puts out a variety of styles as 'feelers.' Retailers make selections from this line to act as 'feelers.' Not until milady herself, however, chooses her shoes, and by so doing indicates her preference, does the retailer venture to order in any quantity. Even then he orders only what he is confident he can sell quickly. In turn, the manufacturer curtails his production until retail orders definitely point out the current demand.

Local purchases and trucks save time

"OF COURSE, the goods ordered must be transported from the manufacturer to the retailer and here, too, it is essential that the time involved be kept at a minimum. We do keep it at a minimum by buying to the fullest extent possible from local manufacturers. The manufacturer located in the same city with us can have his goods delivered to our sales counters on a few hours' notice.

"We are close enough to New York to get orders filled from there overnight. The bulk of these goods move by motor truck and not by rail, so for the life of me I can't see how better rail service has helped us to any extent."

"Nor can I see how it's helped the manufacturer to the extent that you railroaders would have us think," cut in the manufacturer's traffic agent, with a wink at the construction engineer. "I don't say railroad service isn't better. It is. But the chief beneficiaries of better railroading are the railroads themselves. It has enabled them to do more work with fewer men and less equip-



"Warehouse inventories have been cut by improved transportation"

ment. That is and was the big incentive back of railroad improvement—plus the pressure put on the railroads by business itself.

"The manufacturer has had the same incentive and likewise is the beneficiary of his own methods in the main. Up until the slump of 1921 he wasn't much concerned about inventories. Then overnight he found the cash worth of his inventory radically reduced. The bigger his stocks were, the greater was his loss. He resolved not to get caught again.

"Better methods followed. More attention was given to the planning of operations. Mechanical aids to accounting were installed. A closer and constant check was kept between incoming raw materials and outgoing goods. First, the need of the moment, and then a deliberate caution led to hand-to-mouth buying. This was further accentuated by the public's fickleness toward styles. All business assumed a new and faster pace, more dependable transportation became mandatory."

"You admit as much!" smiled the railroad man.

Railroads had to improve

"CERTAINLY, but wait. During the war, with the railroads all snarled up with war materials, business had the transportation problem forced upon it. Traffic experts were called in to devise better ways of routing goods, keep goods moving while in transit and to locate retarded shipments. These new traffic departments were right on the railroads' necks after 1921. Furthermore, the motor truck had rumbled into the transportation picture.

"Since 1917, when business began seriously to be concerned by transporta-



"Our shipping time," said the construction engineer, "has been cut to one day"

tion difficulties, the registration of motor trucks has increased more than ten times as compared to a passenger-car increase of less than five times. We operated only 326,000 trucks in 1917. The number of trucks at the end of 1929 was more than 3,300,000.

"There is no question but that these trucks have taken freight and express from the railroads and have been a substantial help to business in lowering inventories. Too, they have been a spur in every railroad's side, while the manufacturers' traffic departments have furnished the spur for the other side. If the railroads have rescued anybody it's been themselves, for which I give them full credit."

Interest charges have been lessened

"BUT granting that," said the merchandise manager, "the fact of railroad improvement remains, along with the further fact that the railroads are still carrying the bulk of our materials. If goods have moved faster—and they have—capital tied up in transient goods has been released and a saving effected in interest charges as well. *Railway Age* recently reckoned that this amounted to 30 per cent of the freight bill. Also, it palpably has been possible for business to reduce inventories in proportion to the amount of time saved by the railroads on goods in float."

"That's true," granted the construction engineer. "My company operates over a radius of 150 miles. A few years back it required about three days to ship goods from headquarters to outlying key points. That time has been cut to a single day, which enables us to cut two days' supply off our inventory."

"But here's the other side. Instead of carrying a three-weeks' supply in inventory as we did, we now carry only a two-weeks' supply. Credit the railroads with their saving of two days, and five days are due to other factors."

"There you are," nodded the traffic agent. "Our factory is in Chicago. We draw materials from, and ship goods to, every part of the United States. But improved transportation in itself has contributed less than a third to our inventory saving."

"A saving of time in freight transit isn't worth a whoop if any one of a dozen other factors has been overlooked. Unless one is ready to put incoming materials to immediate use upon arrival, speed in delivery might even become a liability, inasmuch as goods in transit can't be charged to the consignee until delivered to him."

"The biggest thing that the railroads have done, as I see it, has been to achieve a greater regularity and dependability in deliveries. When a shipper knows that he can depend on freight schedules, and a consignee knows that orders will come through as promised, both can plan work far more efficiently."

"Summing it all up, no one factor has been wholly responsible for lowered inventories. The slump of 1921 taught the lesson that big inventories are bad medicine. So a variety of ways was devised to keep inventories down. But you can't give the railroads all the credit."

All eyes turned to the railroad executive. His cigar, though by now a dead stub, was still jutting at a defiant angle.

"There's one thing that you fellows have forgotten," he said slowly, "and it's the biggest thing of all; that the rail-

roads are the arteries of the whole industrial system. They make it possible for you to do business. Just as the tempo of the blood-flow in his arteries governs the energy and efficiency of a man, so does the tempo of transportation govern business. Slow up railroad traffic and I don't care how efficient your factories are, they are going to slow up with it."

"Consider the cantaloupes we had for lunch. They merited your comment. Two years ago buying a cantaloupe at the corner grocery was like trying to pick a red apple from a barrel of greenings in a dark cellar. One got mostly green ones, and even the ripe melons had scant flavor."

"Not so today. By cutting two days off freight schedules between southern cantaloupe patches and northern markets, thus permitting farmers to leave their melons two days longer on the vines, the railroad's new program has given us riper and juicier cantaloupes."

"And fresher eggs, sweeter milk, faster mails, and strawberries in January. Speed, or time-saving in transit, has given the city dweller 12 months of summer on his home dinner table, turned whole vast districts into truck farms, and opened new markets for agriculture and industry alike."

"The present pace of business and life also is founded on more than one cause. Not long ago a business man was driving by automobile into Pittsburgh. The highway paralleled a railroad. A heavy ore train rumbled down the track, drew even with the motor car, passed it and was lost to view. The business man looked at his speedometer. It registered '40.' He whistled in astonishment."

"Being of an inquiring nature, the business man went to the railroad's freight yard in Pittsburgh and asked questions. He was told that the freight train which had swept by him at more than 40 miles an hour was loaded with 9,000 tons of iron ore."

"It used to take a week to get that ore from the Cleveland docks to the Braddock steel mills," said a yard officer. "It now takes 36 hours."

"I ask you, my friends, entirely apart from the economics involved, to consider the psychological effect of that ore train on business in its territory."

When low rates do not save

"SOMETIME ago one of the largest producers of low-price motor cars felt that a reduction in freight rates was in order. The railroad saw the matter in another light. It insisted that a lowering of rates would be more damaging to the motor-car industry than to the railroads. 'Show us!' challenged the men at Detroit."

"By their own books the railroad showed them a saving of \$35 per automobile on interest charges alone, due to reductions in the company's inventory made possible by improved railroad service. The proposed rate cut would have amounted to \$8 per automobile."

"In another case it was shown that six years ago the average shipping time between the company's factory and its 35 branches was 6.16 days. This meant that there was an average of slightly more than six days' supply of parts in transit. Thus, if the company were producing 6,000 cars a day, it had parts for some 37,000 cars in its 'float' for transient inventory."

"Today the average shipping time has been reduced to 4.58 days, which reduces the transient inventory by almost 9,500 cars, if daily production is 6,000 cars. And this is a saving on parts in transit alone."

"About 5,600,000 automobiles were produced in 1929. Granted that all of the manufacturers saved at least \$35

(Continued on page 104)



How High Should a Building Be?

By GILMORE IDEN

A VISITOR WAS steaming up the harbor of New York and getting his first view of the skyline of lower Manhattan. He stood near the group of passengers around one of the ship's officers listening to the directory pronouncements. The officer knew his New York for he had entered this harbor every two weeks aboard this same ship for many years.

"What is that building?" asked the foreigner, pointing to the spire that reared above all others over Wall Street.

"That I do not know," said the ship's officer. "It was not there when I sailed from New York last week."

The fact that the Bank of Manhattan Building at 40 Wall Street was erected in 11 months, and the old structures in its way demolished in one month, is a fact which the daily press casually passed over. Yet it is of structural significance that this building with its 825,000 square feet of office space, its size of 13,800,000 cubic feet and its height of 927 feet above the street, could have been erected in such record-breaking time.

Designed for speed

THAT, of course, was an engineering achievement pure and simple. The architectural dress was evolved after the structural engineers had turned in all their drawings for the steel frame of the building and after the rolling mills and the steel fabricators had indicated what kind of a building they could deliver in the



EWING GALLOWAY

The steel frame made the present skyscraper possible. Height is limited only by earning power



HIGH buildings were once regarded as monstrosities built only for advertising purposes. Today, however, when wisely built, they serve a real economic purpose, and builders have become so expert and their formulas so exact that they can tell not only if a building will pay, but almost exactly how much it will pay, and what height building will pay best on a given site

time specified. At Thirty-fourth Street and Fifth Avenue, New York, the old site of the Waldorf-Astoria Hotel was purchased for 20 million dollars. That investment in site alone represented an interest charge (at six per cent) of \$1,200,000 a year. Interest on this investment, taxes, insurance plus interest on the money advanced during the construction make this site cost more than \$7,500 a day every day until the building is completed and occupied.

It is proposed to erect an 85-story building there and it develops into a race to save interest charges.

Built for economics

UNDER the pressure of economic necessity a system of building has been developed which has carried American architecture to extreme lengths. The economic necessities which determined the plan and the form of the Bank of Manhattan Building and the Empire State Building in New York were identical with those which governed the erection of the new North Station in Boston, the Terminal Tower in Cleveland, the Penobscot Building in Detroit, the Merchandise Mart and the Board of Trade Buildings in Chicago, and which today are guiding the hands of those who are planning many startling skyscrapers in various cities of the United States.

The skyscraper is indigenous to every city in the United States, and is being built in most of the important cities of the world. There are today more than 4,778 buildings in this coun-

try ten stories or more in height and of this number 2,479 are in New York. Of the 377 buildings 20 stories in height, 188 are in New York City. Thus more than 50 per cent of the skyscrapers are in New York. Chicago, Los Angeles, Detroit, Philadelphia and Boston are the other cities which have more than 100 buildings of ten stories or more. Forty years ago a 10-story building was thought to be a skyscraper. Today we are building office structures 80 and more stories high.

Skyscraper architecture is divided into a few simple periods. Sir Henry Bessemer invented in 1854 the furnace capable of producing steel on a commercial basis. It was because of the desire to eliminate the fire hazard in office buildings that iron and steel columns to support the walls, roofs and floors were first introduced. A steel frame to carry the complete weight of the building was first used in the Home Life Insurance Building erected in Chicago in 1884. It was ten stories high.

First skyscraper is disputed

WHO designed the first skyscraper is still a matter of dispute. L. S. Buffington, a Chicago architect, attempted to file letters patent on his skyscraper design in 1887, but was never able to establish his claim. That did not prevent him,

however, from threatening suit for patent infringement against several owners of later skyscrapers. Another claimant is W. L. B. Jenny, who built the first steel-framed building, the Home Life Insurance Company offices.

The earliest beginnings are probably to be found in the building erected in 1854 in New York for Harper & Brothers, where cast iron columns were used as supports. Wrought iron beams and columns were used in buildings for the Centennial Exposition in Philadelphia in 1876. By that time iron was beginning to be a fairly common building material. The wall was made merely a curtain to keep out the weather and to cover the frame. This method of construction was cheaper than the older method in which the walls supported their own weight. Furthermore it made possible speedy erection.

But the engineers had another problem to solve before they were ready to erect tall buildings. A method was needed for getting people from floor to floor.

One of the earliest elevators known was that installed in the ornate old Fifth Avenue Hotel in New York in 1859. It was built by Otis Tufts and cost \$25,000. A steam engine ran it by turning an immense vertical screw—hence the name, vertical screw railway—as a nut is moved up and down on a bolt by turning the bolt.

The first suspended elevator, the forerunner of the kind we know today, was installed seven years later in the old St. James Hotel, New York.

The invention of the elevator made higher buildings possible. But tall buildings were found to cut off the light and air from their neighbors and to shade the surrounding streets. That prompted the zoning law, first introduced in New York in 1916.

Tall buildings for advertising

ARCHITECTURE has merely endeavored to adopt one of the accepted designs to clothe the form made possible by the steel frame and curtailed in its aspiring reaches by the law. Height and size were sought with the general belief that they permitted a larger return on the investment. At that, many persons believed that the extra tall building was a monstrosity and merely built for advertising purposes.

The F. W. Woolworth Company capitalized that general belief by building the tallest building in the world. That was a daring achievement and stood a monument to the 10-cent store and to Cass Gilbert who designed its Gothic lines. For 17 years the Woolworth Building held its record as the tallest building in the world and collected many 50-cent pieces from persons who journeyed to



The Bank of Manhattan Tower (center) was built in eleven months. Interest on the investment on the site totaled several thousand dollars a day. The Woolworth Tower is seen at the extreme right

EWING GALLOWAY

its 58-story height to obtain a view of the surrounding country.

At the time the Woolworth Building was erected little was known of wind pressure. Precious little is known of it even today. Scientists have given much study to the velocity of the wind but little to what its actual pressure is. Therefore the Woolworth Building was designed by engineers to resist a theoretical wind pressure of



The Eiffel Tower, once the world's tallest structure is passed by Chrysler Building

EWING GALLOWAY



EWING GALLOWAY

Chicago has her share of skyscrapers, as this picture shows. The very high tower at the right is the Mather Building

This modern knowledge and scientific certainty has changed the outlook for skyscraper construction greatly. The change has been especially rapid in the past five years, for it has been within this comparatively brief space that the building codes of nearly every important city on the North American continent have been revised.

New era in construction

IT was the inspiration given by these new building codes that gave rise to this new era in skyscraper construction. With the erection of the Bank of Manhattan Building on Wall Street and the Chrysler Building on Lexington Avenue, the New York skyline at two places overtops the Woolworth Building. With the erection of the Empire State Building in New York and the Crane Tower in Chicago, the Woolworth Building will twice again be overreached.

Until 1930 the Eiffel Tower in Paris held the reputation of being the tallest structure in the world. It stands 996 feet high. When the spire of the Chrysler Building in New York pierced the sky 1,046 feet above the street level that record was broken. The Empire State Building, 1,250 feet tall, will break even the Chrysler Building's record for height.

To build higher and to build larger was only a matter of further experimentation. Accessories, of course, had to be

improved, particularly the elevator. After Tuff's vertical screw railway type came the hydraulic plunger and later the electric elevator. Electric elevators have been developed to move at a speed of 1,000 feet a minute, with an acceleration so accurately controlled that passengers are hardly conscious of the rate. No building is yet equipped with elevators more rapid, but those in the 68-story Chrysler Building were designed to travel 1000 feet a minute and will be so operated when permitted by law.

The casual observer may well wonder what all this record of height is amounting to. Is it but a repetition of the advertising sought in the case of the Singer Tower, and later by the Woolworth Building? Or are American builders inspired by new conceptions of economic necessity? Is it economic to build so high? Is there not a limit to the economic height of buildings?

A study of building height

THESE are reasonable questions to which vendors of building securities, and contractors of tall buildings have been giving serious thought. The fabricators of the steel, who had banded themselves together into a trade organization known as the American Institute of Steel Construction, put up the money to finance a thorough study of the problem. The investigation was made by a committee headed by W. C. Clark, vice president and economist of S. W. Straus & Co., financiers of real estate investment.

(Continued on page 83)

30 pounds to the square foot. Of course if a wind ever reached such a pressure it would smash every window in the city.

Also at that time not much was known about the strength of steel. To be on the safe side the building code (written for New York in 1899) provided for an allowable working stress of 16,000 pounds to the square inch. Today in the subways the steel columns are frequently loaded to 20,000 pounds. The same is likewise true of the steel bridges over the East and the Hudson rivers. But since then the Bureau of Standards in Washington and others have put columns through actual tests and engineering science is not the empirical thing it was back in the days of the Woolworth Building.

The Tangled Web of Farm Finance

By JOSEPH STAGG LAWRENCE

Author, "Wall Street and Washington"

CARTOONS BY D'ARCY

★
IN THE preceding articles of this series, Mr. Lawrence described the formation of the joint stock land banks and some of their early problems. Here he takes up the story of high finance that led many of them into difficulties

PART III

JUST as a vicious tumor, nourished for years upon the poisons of the body, suddenly bursts and creates a crisis for the patient, so the errors of policy, the fruits of wartime conditions and the baneful effects of political influence all conspired to overwhelm in a single year the land bank system of the United States. In the annals of farm credit 1927 will always have an unsavory distinction.

Early in that year when the handwriting on the wall had become clear the Federal Farm Loan Board was reorganized. Three members resigned, their places were taken by new appointees and Eugene Meyer was made the new Farm Loan Commissioner. Six days before the new members took their oath of office the Kansas City Joint Stock Land Bank with almost 45 million dollars of bonds outstanding was placed in the hands of a receiver. Shortly afterwards the Bankers' Joint Stock Land Bank of Milwaukee and the Ohio Joint Stock Land Bank of Cincinnati became insolvent. These banks had approximately 62 million dollars of bonds outstanding on which interest payments ceased.

The innocent investor now discovered for the first time that these securities



The investor saw the joint stock land bank as an instrument of the state

were not "instrumentalities of the government," as the law stoutly maintains, for any purpose except that of providing tax exemption. They were the private obligations of each bank.

In that year of woe it was found necessary to change completely the executive personnel in two of the 12 Federal land banks while substantial "strengthening" was found advisable in a third.

It was also found necessary in that

year to come to the aid of the Federal Land Bank of Spokane to the extent of \$500,000. The other 11 Federal land banks contributed this help, bringing the total so advanced to this bank since July 15, 1925, to \$2,800,000.

On top of all this an ugly situation was disclosed in four of the joint stock land banks involving the criminal culpability of officers and directors. Among the indictments found against these individuals were misrepresentation of the condition of the bank, fraudulent disposition of capital stock, conspiracy to defraud, using the mails to defraud, false entries in the banks' books and misapplication of funds.

Centralized policy

THE new Federal Farm Loan Board courageously accepted its dismal heritage and set about bringing order out of chaos. The convergence of misfortunes which the elder Lord Chatham loved to call a "concomitance of calamitous circumstances" strengthened its hands. It could resist more easily the blandishments and intimidations of politicians. It could point to a critical state of affairs as a result in part of inadequate appropriations. It could profit from the honest errors of policy into which the previous Board had fallen.

Of these supporting factors the new Board took full advantage. The reorganization was radical. A new staff was created on a basis of merit. Larger appropriations were obtained and with them a definite change in administrative policy was undertaken. Responsibility was concentrated in Washington to an extent hitherto unknown in the system. The commitments of each bank are now carefully scrutinized in the Capital and the Board exercises veto power over all appointments.

This, of course, has caused some chafing in the banks. They feel themselves in the stranglehold of a distant and harsh bureaucracy which stifles their own initiative and deprives them of that responsibility which is the attribute of authority.

Since this is in the nature of a clinical examination of a disease it is necessary to go deeper into some of the symptoms. The most alarming of these is the condition of some of the joint stock land banks.

In the state of Peculia lived a man whom we shall call Sharkey. He had been in the land mortgage business for 25 years when the Federal Farm Loan Act was passed. In that time his firm had acquired a number of farms, the normal casualties of the trade. The war drove the tide of optimism in agriculture to new heights and on the very crest of the wave was Mr. Sharkey.

When the recession started he sought desperately for solid ground. In the Federal Farm Loan Act he sensed—may we say—a golden opportunity. The Peculia Joint Stock Land Bank was organized by Mr. Sharkey plus a gentleman named Chican, financier of sorts, who had the valuable faculty of being able to approach closely to the prohibitions of any law without violating it.

The Sharkey firm passed its entire land mortgage business over to the new joint stock land bank. In the process the bad loans accompanied the good loans. The process itself deserves attention.

Liquidating by bonds

MR. SHARKEY first passed the property on which the loans were made as well as the mortgages to complaisant or fictitious individuals. Then he transformed himself into an official of the Peculia Joint Stock Land Bank. In this capacity he loaned to these individuals funds raised through the sale of tax-exempt securities, "the instrumentalities of the Government." This Sharkey person then again became an executive officer of the land mortgage company and received the identical funds in liquidation of the loans which the company had made. In this way the land mortgage company was able to liquidate its business, then very unattractive, at 100 cents on the dollar with the aid of a joint stock land bank and through the apparent sponsorship of its securities by Uncle Sam.

Shortly thereafter Messrs. Sharkey and Chican discovered that the bank was not housed in a manner fitting the dignity and importance of an institu-

tion privileged to sell the "instrumentalities of the Government." A new abode was necessary. The pair soon located a building which would fill the specifications to the last leak in the roof. It was purchased for \$40,000. Earlier in the year the building had been acquired by two business men named Sharkey and Chican at \$14,000.

No story in our joint stock banks is complete without a word about Jack Chican. We have already acknowledged his skill in approaching the outer limit of the law without actually transgressing it. The privilege of tapping the capital market through tax-exempt securities

opened to him a rich and vast field. In some way or other he was associated with six of the joint stock land banks including all those against which the Government later instituted criminal actions.

Mr. Chican induced these various banks to buy each other's bonds, he, of course, receiving a commission on each sale. With one of the joint stock banks he made a contract to dispose of its bonds for a period of ten years in return for an annual flat retainer of \$15,000. Similar contracts with the other banks boosted his total annual income from this source to nearly \$100,000.

Profits on stock sales

IN 1924 he persuaded one of the banks to let him sell a million dollars' worth of its capital stock although the bank already had ample capital. His explanation was that it was a good time to sell stock. He purchased the stock (\$100 par value) from the bank at \$140 and sold it to a syndicate of New York bankers at \$155. The stock finally reached the investor at a price of about \$175.

The stockholder received rather rough treatment and has since been thoroughly disillusioned. Yet it is possible to understand and sympathize with his susceptibility.

Here is a bank organized under federal law. It is supervised by the Federal Government. Its books are examined twice a year by an arm of the supreme political authority. It raised its funds through the sale of tax-exempt securities. The investor can hardly fail to see the joint stock land bank as the favored instrument of the State.

Further exploiting this extraordinary avenue of confidence, we find some of the joint stock banks whose wisdom was lighted by the financial genius of Jack Chican organizing "farm land" companies to which the dead paper of the joint stock land banks was transferred. Against these frozen assets securities were issued and sold to the public.

In the unsophisticated hinterland were many eager to nibble at the bait offered. The assets were represented as having been examined by the Federal Government and of good enough quality to warrant their use as security for tax-exempt bonds.

When the Department of Justice finally brought Chican to trial it was found that he had kept his way of retreat carefully open. He was acquitted. His associates were less fortunate. One of these was sentenced to nine years in the federal penitentiary at Leavenworth



He headed four companies which interlocked with the bank



He was associated with six banks against which the Government started proceedings

and fined \$11,000. Another was sentenced to six years in prison and fined \$25,000. Two others received lesser penalties.

The Bankers' Joint Stock Land Bank of Milwaukee represents another ugly spot in the land bank situation. Some years ago the country bankers of the state organized this bank and generously passed on to it some of the loans which their own banks held.

In making loans, these bankers were afflicted at times with a kind of myopia which enabled them to see in some land a virtue for lending purposes and a security for loans which a receiver subsequently was unable to discover.

However, bonds were sold. Their high rates and tax-exemption made them so attractive that they were marketed at a premium. Now the business of the bank brought no golden stream to the Treasury for dividend payments. Since the directors were bound by no abstract fidelity to good accounting practice they passed the bond premiums along to stockholders as dividends. This stimulated the price of the bank stock and many of the original organizers who understood the source of the dividends as well as the character of the bank's assets sold out.

The bonds of that bank are now selling at \$21 in the market. If we add to this a \$15 liquidating dividend already paid, the present bondholder realizes

\$36 on his original investment of \$100. In addition the receiver has assessed the stockholders present, not original, 100 per cent. (The Supreme Court has just denied the right of the receiver to levy that assessment until all the resources of the bank have been exhausted.) An interesting adventure in finance!

The Ohio Joint Stock Land Bank is one of the smallest banks in the system. Its capital, \$250,000, is the least the law will permit. When, in the fall of 1927, it passed into a receiver's hands, it had about \$1,300,000 of bonds outstanding. The bank had its headquarters in Charleston, W. Va., although most of its loans were made in Indiana.

After the receiver had made his first gloomy round of the mortgaged properties he confessed his inability to understand how loans could ever have been made on them. When he began to levy assessments on the stockholders he discovered that the financial condition of more than 75 per cent of them was such that it would be useless to institute court proceedings against them.

One wonders how "investors" so utterly impoverished that court judgments against them cannot be collected ever obtained the means to make the original payments. With this in mind it is pertinent to note that the receiver of one of the other banks was never able to discover a trace of any money subscribed as capital.

Mystic bookkeeping

IN THE procession of disasters which befell the land bank system in 1927 the Kansas City Joint Stock Land Bank enjoyed unenviable primacy. It was supposed to have had a paid-up capital of \$3,800,000 and had sold bonds to the aggregate par value of \$44,376,500.

Five months after his appointment the receiver made a preliminary report which is in effect a bill of apology for delay and a statement of disheartening difficulties.

"Large amounts of the Bank's assets had apparently been diverted from the

use contemplated by the Farm Loan Act. Innumerable transactions with allied companies intimately connected with some of the Bank's officers and directors have greatly added to the difficulties which your receiver has encountered in the administration of this receivership."

In explaining their inability to unravel the tangled skein of Kansas City Joint Stock Land Bank finance the firm of public accountants employed by the receiver states—"our investigation was prolonged because of the thousands of obscure entries on the books of account."

Some of the adventures of the spirits in charge of this bank are illuminating.

Interlocking directorates

"CERTAIN officers and directors of the Kansas City Joint Stock Land Bank were also officers and directors and heavily interested in the company known as the Missouri Hydro-Electric Power Company. This company was organized for the purpose of promoting a hydro-electric project in the vicinity of the Osage River in central Missouri. A large amount of real estate heretofore acquired by the Bank under foreclosure or by deeds from insolvent borrowers had been traded for lands in Camden, Morgan, Miller and Benton Counties, Mo., in connection with this hydro-electric development. It is exceedingly difficult to trace all these transactions and to determine the amount of the Bank's funds which have been thus employed. As closely as can be now determined, interest and principal aggregating approximately \$1,700,000 have been thus invested and a considerable amount of the real estate of this Bank acquired under foreclosure or as a result of the transactions in the hydro-electric development, is involved in one manner or another."

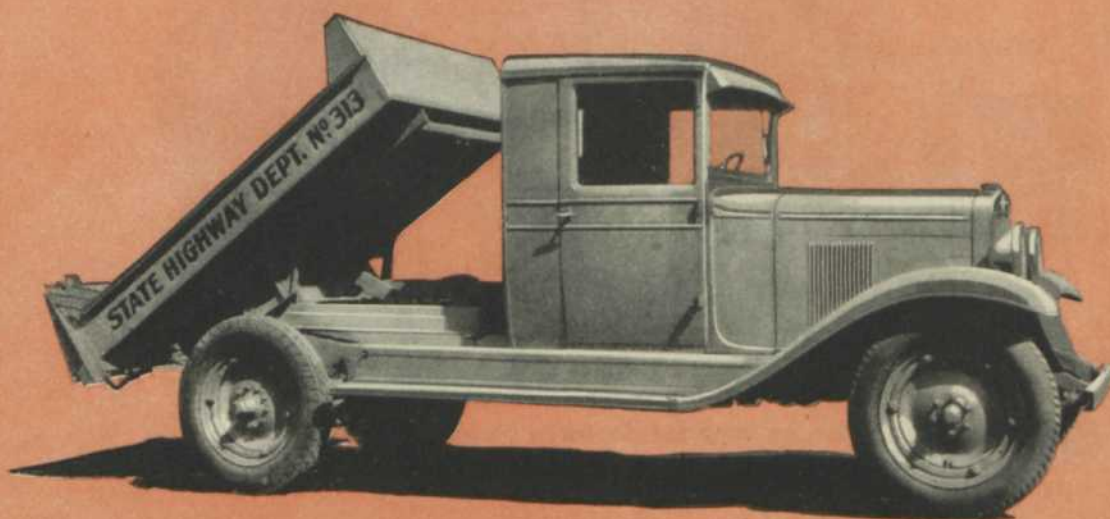
The assets manipulated with such freedom were a part of the security for those "instrumentalities of the Government" which investors purchased.

How thoroughly original the accounting methods of the Bank were may be judged from the following incident.

"This Bank also has a book investment totaling \$905,856.14 in a 12-story office building which, however, is subject to a mortgage held by the Travelers Life Insurance Company on which there is an unpaid balance of \$437,500 bearing interest at five and one-half per cent. This mortgage which of course should be shown on the books of the Bank as a charge against the building is not so shown nor is any liability set up on the

(Continued on page 110)

for Economical Transportation

IT'S WISE TO **CHEVROLET** CHOOSE A SIX

The State Highway Department of Colorado finds it wise to use Chevrolet trucks

With Chevrolet mileage costs so low, it's wise to choose a Six!

Today, when business firms are watching cost-figures so closely, there is a decided trend among fleet buyers toward the Chevrolet Six. And nothing could be more logical.

For, with all its 50-horsepower six-cylinder performance, Chevrolet's cost per mile is just as low as that of any other car. And many owner records show it to be *even lower!*

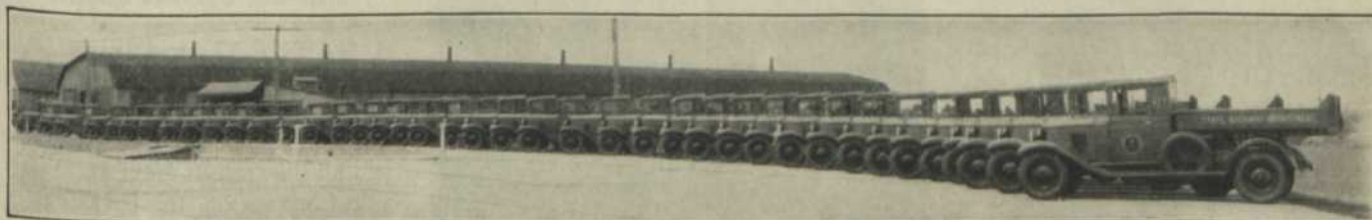
With some models selling as low as \$495, f. o. b. factory, Chevrolet prices compare favorably with the lowest in the motor car industry. Moreover, this modern Six goes just as far on a gallon of gas as any other car on the road. Just as far on a quart of oil. Just as far on a set of tires.

Chevrolet 6-cylinder smoothness cuts down on maintenance and depreciation by saving the car from the wear

and tear of vibration. And Chevrolet service charges on many operations are the least expensive in the industry.

With Chevrolet mileage costs so extremely low, you'll agree that it's wise to choose a Six—especially when Chevrolet also offers four modern semi-elliptic springs—and the performance superiority of a modern six-cylinder engine. Investigate this economy Six—today!

CHEVROLET MOTOR COMPANY, DETROIT, MICHIGAN
Division of General Motors Corporation



This imposing fleet of 40 Chevrolet 1½ ton trucks is serving the State Highway Department of New Jersey

Sedan	\$595	Light Delivery	\$365	1½ Ton	\$520	1½ Ton Chassis	\$625	Roadster Delivery	\$440
Delivery		Chassis		Chassis		with Cab		Pick-up box extra	

All prices f. o. b. factory. Flint, Michigan

CHEVROLET SIX-CYLINDER TRUCKS

When visiting a CHEVROLET dealer please mention Nation's Business



Bush House, an imposing American business building in London

Clearing the Foreign Trade Routes

By IRVING T. BUSH

President, Bush Terminal Company

Making a domestic market of Europe

IN St. Louis there is a manufacturer of office machines. Far away in Budapest is a dealer in such equipment. The Hungarian is of the new generation, young, active, eager to build up his business. He has seen a little and heard much of American contrivances that cut down the time and drudgery of business offices. Similarly, the St. Louisan has wondered whether all this talk of foreign trade has any bearing upon his own sales problem.

Here are natural affinities. Formerly the chance of their getting together was remote. The American would admit there were markets abroad for General Motors, the Singer Sewing Machine Company, and other huge corporations. But his company was too small to support a European selling staff. Between him and his Hungarian prospect



IRVING T. BUSH

KEYSTONE STUDIOS

were thousands of miles of land and water, weeks in time, a maddening tangle of shipping details, storage, duties, insurance, finance.

From government agencies and from his trade associations our manufacturer could get wise counsel and advice. But something more was needed for the physical conquest of that vast trade gap.

Making exports simple

A NATURAL and inevitable growth of the Bush organization has created a new device for international commerce, which we hope will fill the need. It is the Bush Service Corporation, the operation of which is intended to make the interchange of goods between any part of the United States and Europe as simple as a domestic transaction. At least it will be simple for the shipper. The new service assumes all worry and work necessary to transporting goods overseas, negoti-

COST CUTTING FACTS
you should know



YPS

"PRESS IT FROM STEEL INSTEAD"

THE YOUNGSTOWN PRESSED STEEL COMPANY
151 UNIVERSITY ROAD
WARREN, OHIO

Please send me a copy of your new book, "Advantages to Being YPS"

Name _____
Address _____ City and State _____

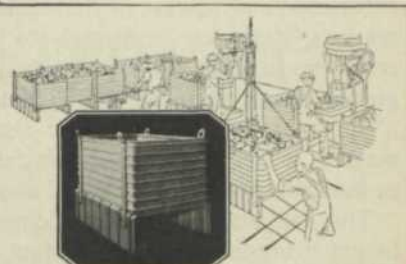
COSTS CAN BE REDUCED

There are many ways to reduce the cost of your business. One of the most important is to reduce the cost of your steel. The Youngstown Pressed Steel Company has a new method of producing steel which is called "Pressing from Steel Instead". This method is a new way of producing steel which is called "Pressing from Steel Instead". This method is a new way of producing steel which is called "Pressing from Steel Instead".

THE YOUNGSTOWN PRESSED STEEL CO.

Please send me a copy of your new book, "Advantages to Being YPS"

Name _____
Address _____ City and State _____



Another way to cut Handling Costs

This time with YPS Steel Boxes—Just size up this handy member of the YPS Steel Handling family—the YPS 24 inch Corrugated Box and that Platform equipped with full length lifting straps for crane handling.

Then imagine what it will do in your plant—filled on the late—lighter on heavy... it's quickly transported to any part of the plant. Down it comes... some a full truck to be rolled into any position in your production line... up again and it's quickly on its way to the next step in the shipping line.

Remember—they represent but one item in a line of YPS time, labor, space savers. Read the list of YPS Steel Handling Products below. For the complete list of products or have your nearest dealer for a FREE copy of the book, "How Can Be Saved."

STEEL BOXES AND PLATFORMS

THE YOUNGSTOWN PRESSED STEEL CO.

They save money for industry .. the MULTIGRAPH saves it for them

Reducing costs for industrial organizations is a specialty of the Youngstown Pressed Steel Company. What YPS does for industry, the Multigraph does for YPS. Says W. G. Armstrong, assistant to the president, "The savings that result from this method have made our Multigraph a most profitable investment."

"It costs a great deal less to carry electrotypes and print enclosures, reprints, etc., in small quantities as needed than it does to carry a stock of printed matter, and it reduces possibility of loss through obsolescence."

Savings for YPS have retired their investment in Multigraph equipment in two years. (How often do you find an investment that pays 50% per annum?)

In addition to all of which, as Mr. Armstrong observes, "The Multigraph has been a vital factor in our sales promotion work and has made it possible for us to do many things which otherwise would have been impractical."

Multigraph representatives can give you details.

THE AMERICAN MULTIGRAPH SALES COMPANY
1806 East 40th Street, Cleveland, Ohio
THE MULTIGRAPH SALES COMPANY, LIMITED
137 Wellington St., W., Toronto, Ontario



The Multigraph department of the Youngstown Pressed Steel Company and (at left) some of the office and factory forms which it produces.

The MULTIGRAPH

ating national boundaries, warehousing, repacking, relabeling, and even collections.

The Distribution Service of Bush Terminal, established and developed after careful study of the changed requirements of the commercial community, has been well received and is appreciated by many, but it did not reach beyond our own boundaries. The experience and success in the domestic markets, however, suggested to the management long ago that the natural growth of our commerce would demand a simple and similar service for distant markets. Extension of the organization to foreign territory was a logical step.

The first activities of the Company taught many lessons. An important one was the fallacy of staffing foreign offices with Americans. No matter how intelligent or active they were, these Americans could not possibly acquire as intimate a knowledge of conditions in a country as the people who were born there and had long been doing business there. Thus when the Bush Service Corporation was formed, a cooperation was arranged with established distributing companies in each country where it sought to operate.

On the American side is the Bush Terminal Company, with its docks, warehouses and distribution service; on the European side are 16 subsidiary concerns working in conjunction with 54 local companies with similar facilities. Each of the foreign offices is native to its community, and staffed by citizens of the country. These men know the languages and appetites of their customers. Export or import regulations that would drive an alien to despair are to them regular and inevitable processes.

Creating new trade channels

THIS system covers every country in Europe except Russia. Operations are directed from 280 offices, in addition to which there are 900 agents. Last year they handled half a billion dollars' worth of goods. Working through them, it ought to be almost as simple for a California canner to deal with a customer in Constanta, Roumania as one in Salt Lake City.

The aim of Bush Service is to create new trade channels, to deepen and smooth those which already exist. Primarily, it will enlarge the exchange of merchandise between the United States and the countries of Europe. Also, it will encourage commerce among European countries. Such development will be an indirect aid to our own producers. Any tonic for the circulation of goods

raises standards of living, increases spending power, and sharpens the appetite for all manufactured articles.

The Yugoslavian farmer who gets a good price for his grain or pigs by shipping them to Vienna can buy his wife an Austrian leather handbag and, perhaps, an American fountain pen for himself. With business picking up, the Viennese leather dealer takes his family to the theater where he sees the latest film from Hollywood. New wealth has been created. The peoples of the earth have been drawn closer together.

Of special help to small firms

BUSH straight-line distribution is expected to be of greatest service to American companies which are unable to maintain selling organizations abroad. Business of large concerns is being sought and obtained; it is, however, of special interest to concerns with little or no foreign trade. We have in America thousands of companies doing a domestic business of from a million dollars a year up. Compared to the transactions of their giant brothers they are not individually imposing. Combined, they are capable of tremendous totals. By widening sales horizons and increasing their production these organizations are capable of vast contributions to the national wealth.

Bush Service will undertake to relieve the manufacturer of his foreign distribution problem. It will accept a shipment at Chicago, deliver it to any place in Europe, arrange for warehousing, and seek reliable agents. The physical, commercial, financial phases of a foreign trade transaction can be handled by this single agency.

Of the bugaboos that infest the path of the small foreign trader, finance is the most threatening. Only a few companies can afford to tie up money for the months that often are required to complete a sale. Many and sad are the tales that could be told of confidence misplaced in distant agents. It is in this respect that the new service hopes to be of special value.

As soon as a consignment is received from a shipper, documents will be issued to him on which he can immediately obtain a loan. Instead of a long wait, capital can be plowed back into production. The first agent to this end is the Bush Service Certificate. It is a newcomer among forms of commercial paper.

This certificate is a document of continuous possession. It resembles a through bill of lading. But it goes far beyond that. It is much more definite and specific as to the responsibility of

the issuer for the merchandise under practically all conditions. Bush Service can afford to accept this risk, since its own companies will handle the shipment all the way down the line.

The Bush organization stands back of the shipment during the entire period of transit and storage, hence the Bush Service Certificate becomes a sound basis for a loan, and, as such, it will be generally acceptable. It is a satisfactory security on which a banker can make an advance on merchandise traveling through foreign countries or stored for delivery abroad.

Under such protection, the manufacturer may ship to distant markets without the former troubles and fears. To simplify the transactions still further, Bush Service disburses all charges, dues and fees incidental to transportation, insurance, custom dues, and storage, to be reimbursed as and when the goods are delivered, and the equivalent collected.

A great aid in sales campaigns

SPOT stocks, at strategic points, speed deliveries and form powerful ammunition in selling campaigns. Manufacturers in the Middle West have long recognized the advantage of keeping in New York goods that can quickly be drawn on to supply the 20 million consumers living nearby. In foreign trade the need is even greater. Manufacturers with spot stocks in France, Hungary, Roumania or any other foreign country, possess an immense advantage over rivals who must ship all the way from factories of origin.

Through its aids for financing, Bush Service enables the smaller manufacturer to place such stocks abroad without undue strain on his credit. Also, it will arrange for storage and distribution. While Bush Service will do no selling, it will, through its subsidiaries in each country, recommend reliable native concerns to push the sale of goods. These widely flung offices serve as intelligence centers on the different trade fronts. They report new opportunities as they appear; they make special surveys for American companies to determine the probable demand for products.

While the American manufacturer is primarily interested in the expansion of his own output, he must not forget that foreign trade is a two-way business. Foreign customers must sell their products to be able to buy from us. Bush Service will seek in the United States markets for European concerns.

These services are now functioning. Others that should vastly widen American trade are being investigated.

A new Service Policy that *definitely protects* your Car Investment

THERE are two important questions which should be answered satisfactorily before you buy any automobile. First, is the car so designed and built that it will give you the various qualities you have a right to expect? And second, have the manufacturer and the dealer made definite provisions to assure the car's continued fine performance for many years?

Both of these questions *can* be answered satisfactorily when you buy an Oakland Eight or a Pontiac Big Six. You can be sure that the car is built to exceptionally high standards of quality. You can be sure that in performance, appearance, comfort and long life it represents outstanding value. And, thanks to the new Oakland-Pontiac Owner Service Policy, you can also be sure that your investment will be definitely protected.

This new service policy embodies many unusual features of value to every owner. It represents an extension of the fine service Oakland-Pontiac dealers render. It is handed to you in printed form, backed by both the dealer and the Oakland Motor Car Company, when your car is delivered. It contains the following specific provisions:

1—That your car will be delivered in first class condition, thoroughly inspected, adjusted and lubricated.

2—That all parts replaced under the standard warranty will be *supplied without charge, as will the labor necessary for their installation*, during the first 90 days or 4,000 miles, whichever occurs first. This service will be provided by any Oakland-Pon-

tiac dealer in the United States upon presentation of your owner's identification card.

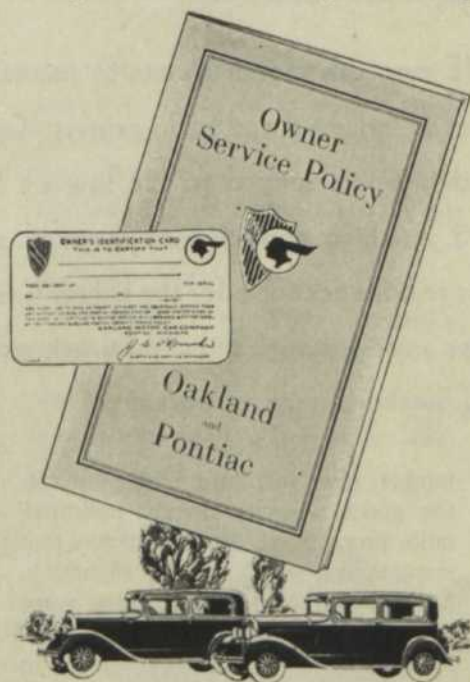
3—That during the initial driving period the dealer making delivery will give your car *two free* inspections and adjustments to assure its proper operation thereafter.

(a) At 500 miles the dealer will give your car a road test—check the oil in the engine, rear axle and transmission—and adjust the ignition, carburetor, timing and brakes.

(b) At 1500 miles he will give the car another road test and precautionary re-checking, performing the following operations: align the front wheels—tune the engine, adjust brakes, steering gear and fan belt—tighten all body and chassis bolts. In addition he will check the radiator, tires and lights—test and fill the battery—lubricate the car completely—all without cost except for the grease and oil used.

4—That the dealer will provide at regular 90-day intervals the 3-Point Free Adjustment Service—checking and adjusting ignition, carburetor and timing.

This liberal service policy definitely protects your investment. It enables you to enjoy, to the fullest extent and at minimum cost, the fine qualities of performance for which the Oakland Eight and the Pontiac Big Six are noted. And finally, it serves as concrete evidence of Oakland-Pontiac quality—for such a policy could successfully be applied only to cars in which the manufacturer has the fullest confidence.



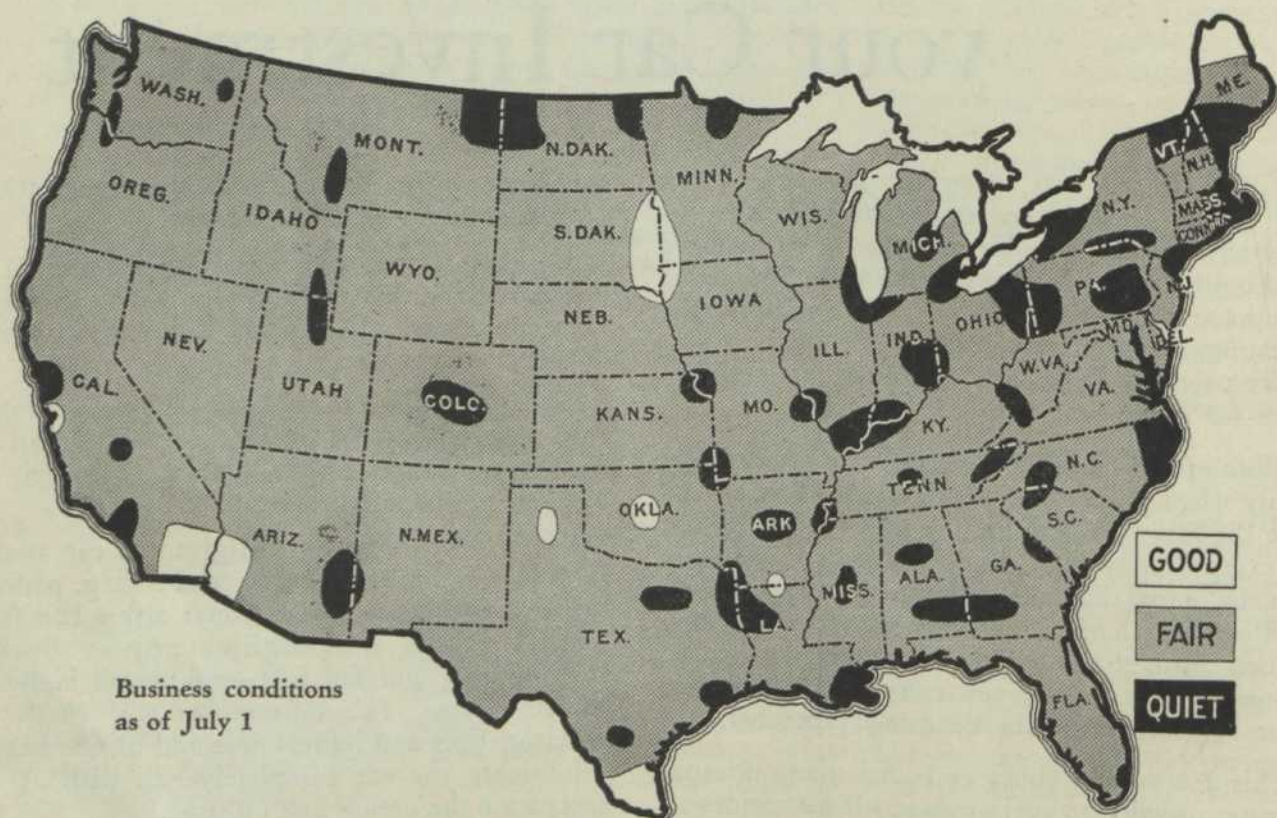
OAKLAND MOTOR CAR COMPANY
Pontiac, Michigan

When visiting an OAKLAND dealer please mention Nation's Business

The Map of the Nation's Business

By FRANK GREENE

Managing Editor, Bradstreet's



Business conditions
as of July 1

TRADE and manufacturing took on a more pronouncedly dull tone in June. Despite a rally late in that month in the stock market and to a smaller extent in grains, live stock and a few other staple lines, the general trend was downward. This was especially true in factory operations in harmony with the approach of the midsummer shutdowns, which this year will be longer than for several years past.

The wholesale and jobbing business was closely geared to small fill-in business and actual necessity buying. Retail trade, aided by warm weather most of the month, was made up largely of women's wear, of a light type adapted to mid-summer, and of vacation goods. Earlier-than-ordinary "sales" to reduce stocks in retailers' hands were a feature in the men's clothing trade.

In industry, the movement to restrict production, whether of automobiles,

THE map this month points to increased quiet in industrial and trade centers. Commodity prices sagged to the low of late 1915. The high condition of crops in surplus regions accounts for the lighter hue of these areas—though this condition is modified by the low prices obtained

lumber, steel, furniture, hosiery or cotton goods was, as already indicated, quite pronounced. The result was that employment, which fell off slightly in May, sagged further. This offset some slight gains in outdoor occupations due to the beginning of the wheat harvest in the Southwest. As regards this latter, it is to be noted that less than the normal number of men are finding employment in the wheat fields owing to the spreading use of the combine-harvester-thresher.

The stock market until well into the

last week of June tended downward, an increased number of stocks, about 400 in all, reaching the lowest point of the year. The decline in the entire stock market was second only to that in October, 1929, and the railway group's average for a while sank below the low of last November. This last was partly due to the absence of million-a-week car loadings during May, in contrast to larger totals a year earlier. Net income of the roads in May shrunk much more heavily than did gross receipts, the decrease in the former being nearly three times the rate shown in gross earnings.

The weakness in stocks was, however, equalled, if not exceeded, by apparently corresponding declines in commodity prices. June figured prominently in the low column for most farm products but especially for wheat, corn, cotton, oats and rye, dairy products (including milk, butter and eggs,) imported raw materials such as sugar, rubber and silk, and

"We never seem to have any good ideas in this office"



IF YOU expect your staff to produce brilliant plans or keen and original ideas . . . take them out from under the stifling blanket of noise.

Initiative and originality may sprout but they seldom flourish in noisy offices. Razor-edged minds grow dull. Quick minds grow slow. Inventive minds go stale. And the everlasting clacking rattle of noisy typewriters, keying the entire office to turmoil, pulls down the pace of the very men who carry the business on their shoulders.

The REMINGTON NOISELESS Typewriter keys your office to the modern note of quiet. It does everything any typewriter will do . . . faster, clearer, and silently. For

the same precision of manufacture, the same closer tolerances, the same finer materials that take away the vibration and friction and make it *noiseless* . . . ALSO make it a better writing machine. It will manifold many clear-cut copies. Cut stencils sharp as a die. And produce letters that are a delight in their smooth, even alignment and uniform, sharp letter press.

Best of all, it protects your investments in your personnel. Young heads in the "outer

offices" begin to turn in usable suggestions. Secretaries and stenographers keep fresh to the end of the day. You prove, by increased output and a lessened sick-list, that noise is a liability and silence is an asset. And out of this silence come the really valuable contributions that every executive is waiting for . . . reasoned, planned and perfected in quiet . . . within a few feet of a battery of REMINGTON NOISELESS Typewriters!

Let us make a free demonstration in your office. Write or phone our nearest office. REMINGTON RAND BUSINESS SERVICE INC., Typewriter Division, Buffalo, New York.



Remington

Noiseless

It takes the *Bedlam* out of Business

When phoning or writing a REMINGTON RAND office please mention Nation's Business

silver, tin, lead, zinc, iron, steel and copper.

The decline in commodity prices indeed, constituted a virtual roll call of the products of the farm and the raw finished materials of industry. A prominent exception to this was found in raw wool which, while one of the first in 1929 to display marked weakness, steadied up in sympathy with an earlier advance abroad.

Throughout the month there was abundant complaint, however, that retail prices had not kept step with wholesale quotations.

Money rates went lower, with the Federal Reserve Bank of New York fixing 2.5 per cent as the rediscount rate, the lowest ever recorded. Call money at one time dropped to 1.5 per cent, the lowest point since 1917.

In finished products, tires were cut to a point said to be the lowest ever touched.

In farm products, wheat fell to the low of pre-war 1914, while rye dropped to the lowest since 1896, corn to the lowest since 1926, oats to the 1922 level and cotton close to the lowest point of 1926.

A big break in live-stock prices was scored with cattle \$3.00 below a year ago; hogs \$1.25; lambs \$2.50, and sheep \$3.00. Wholesale meat prices declined from seven to 25 per cent below those of a year ago.

So marked was the reduction in farm-product prices that some "statisticians" reversing the custom of certain earlier years, came out with estimates that crops yet to be gathered and sold would be worth \$800,000,000 to \$1,000,000,000 less than in 1929.

Silver, rubber, silk

SILVER, rubber and silk were again said to have sold at lowest quotations for all time.

In mid-June the Hawley-Smoot Tariff Bill finally passed both houses of Congress and was signed by President Hoover who advanced the idea that the new flexible provisions of the Bill would help to make it more workable. This statement was answered by the prompt submission by some statesmen of a list of items to be repaired as soon as the Bill became a law.

Partial estimates as to population appeared in late

June, accompanied by Census Bureau estimates of unemployment. These latter promptly drew the criticism that they were based on total population instead of on the number gainfully employed. Estimates of unemployment made at some large centers and those issued by the Bureau of Labor Statistics bulked larger than did the Census Bureau's; the factory-employment estimate compiled by the former being 11.5 per cent below that of a year ago, and the pay-roll estimate 16.4 per cent below that of a year ago.

Wheat prices are down

REASONS for the weakness in farm products were not entirely connected with the June decline in the stock market, although this no doubt added to it. The movement of wheat to market in the Southwest, plus the likelihood of rains helping spring wheat prospects in the Northwest and Canada, was a burden on the price of that grain. As a result the price fell below the low levels touched in late May of 1929.

Comparison with a year ago in June,

when the same market was advancing, also made for bearish feeling. This feeling was not relieved much by talk of a probable falling off in the European wheat crop as compared with last year's bumper yield. This was due to the prophecy of some that the possible 1930 yields in this country and Canada, as a result of the better prospect of spring wheat and the slightly larger stocks at visible supply points in this country, would tend to balance a world yield not greatly different from last year's crop.

That crop fell 500,000,000 bushels below the crop of 1928. Early estimates of the total wheat crop of the United States are about the same as those of a year ago, say 811,000,000 bushels, as against 807,000,000 bushels harvested last year.

The following table shows the prices of No. 2 hard winter wheat at Chicago and Kansas City and No. 1 northern at Minneapolis at various dates:

	Low May	High July	Low March	June	July
	31,	29,	15,	2,	2,
	1929	1929	1930	1930	1930
Kansas City	\$.89	\$1.31	\$.94	\$1.01½	\$.80
Chicago	.88	1.42	1.02	1.06	.90
Minneapolis	.94	1.47	1.02½	1.04½	.92

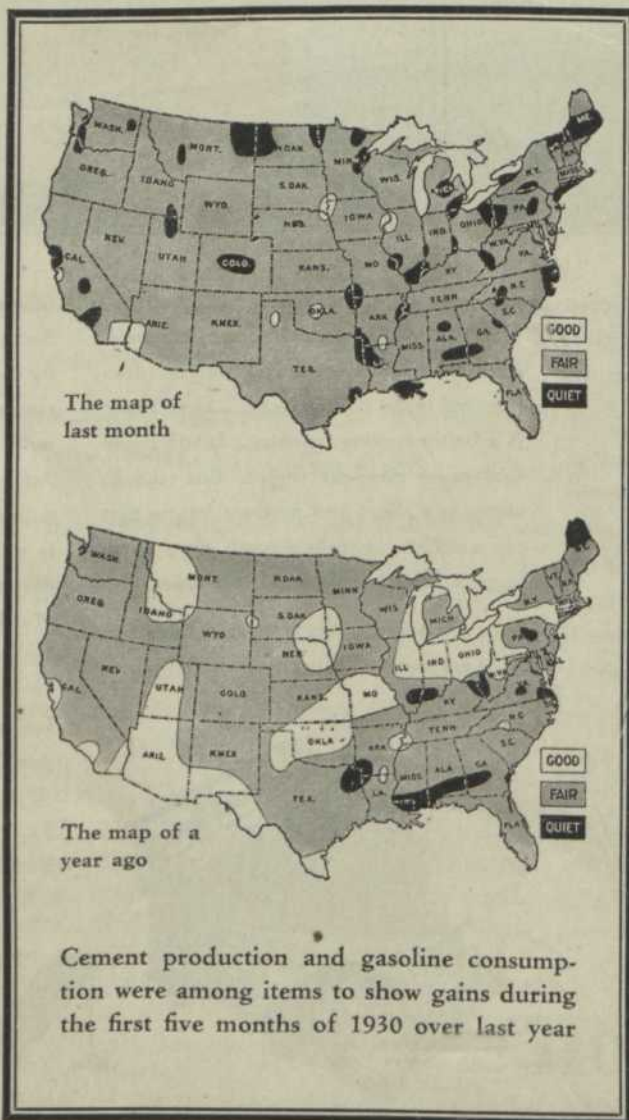
In cotton there is the feeling that a large crop is possible in this country, while at the same time domestic consumption is greatly below last year. Exports have also dropped heavily.

Real facts are out

ALL IN all, it will be seen that June was not an enlivening period in stocks, crop values or industrial circles. In these last a disposition to give greater weight to the world depression was manifested. On the theory that most of the bad news is out and that the real facts about trade and industry are recognized, there was a hope, if not a prospect, of improvement after the dullness of summer has passed and comparisons are made with periods of a year earlier when trade recession had begun to manifest itself.

Increasing attention, in fact, was being concentrated on the idea that prices of basic products had been scaled down to a point where lowered costs would bring their own cure and consumption would be stimulated by price reduction.

In other words, there is a growing feeling that cheaper



Today's profits are being made inside the factory

The statement of Mr. J. H. Sower of the Snow King Baking Powder Company indicates that executives today are realizing that the way to increased profits is not alone through increased sales. Many of them are now finding new profits *inside* the factory, through greater production efficiency.

Is your packaging, for instance, as efficient as it could be? The slightest waste or inefficiency in this operation can easily reduce your profits.

The largest producers in America whose tremendous outputs make packaging efficiency a major consideration employ Pneumatic Machines, almost without exception, in their packaging operations. Mr. Sower says, "We find that we have not had occasion to call on your service department in four years. This attests to the smooth efficient operation of your machines. We not only get a more beautiful package but also a lower production cost than before we installed them."

Pneumatic engineers are at the service of large or small manufacturers without obligation. Send for the book "An Interview" that tells the complete story of Pneumatic's experience, accomplishments and ability to serve you.

PNEUMATIC MACHINES

Carton Feeders
Bottom Sealers
Lining Machines
Weighing Machines (Net and Gross)
Top Sealers
Wrapping Machines
(Tight and Wax)

Capping Machines
Labeling Machines
Vacuum Filling Machines
(for liquids or semi-liquids)
Automatic Capping Machines
Automatic Cap Feeding Machines
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PNEUMATIC SCALE CORP., LTD., NORFOLK DOWNS, MASS.
Branch offices in New York, 26 Cortland St.; Chicago, 360 North Michigan Ave.;
San Francisco, 320 Market St.; Melbourne, Victoria; Sydney, N. S. W. and
London, England.



J. H. SOWER, Sec'y-Treas.
SNOW KING BAKING POWDER CO.

"Profits today are being made through increased production efficiency inside the factory, rather than through increased sales. The emphasis is on improved machinery and methods, to cut down costs. In carrying out this policy in our own plant we have found Pneumatic Machines a great aid in increasing packaging efficiency and lowering packaging costs."



food, clothing and housing hold within themselves elements of sure if slow improvement and of eventual progress to a point where the American dollar will buy more things than it has for a good many years past.

Comparing as they do with periods a year ago, when trade and industry were at a fast pace, the June and six-months measures of movement available at this writing contain few enlivening statistics. Failures for June fell behind those of May, and were the lightest, in fact, of any of the six months of the year. They were 26.4 per cent above the figures for the like month a year ago, however,

while liabilities, swelled by numerous suspensions, were 78 per cent above those of June a year ago and constituted the third largest monthly total in the country's history.

For the half-year the peak totals for failures set in 1922 and for liabilities, recorded in 1924, were exceeded by one-half of one per cent and nine per cent respectively. The half-year totals for 1929 were exceeded by 18 and 60 per cent, respectively.

Bank clearings for the half-year fell 15 per cent below last year, and debits were 19.4 per cent smaller.

Pig-iron production for the half-year

was 15.6 per cent and steel-ingot output about 18 per cent off from 1929.

The four heaviest percentages of decrease in industry include the decline of 53 per cent in building permits, the reduction of June of 50 per cent from normal in lumber cut, the decline of 32 per cent for five months in net railway operating income, and the decrease of 30 per cent in the production of automobiles.

In a lower bracket as regards percentages of decrease (these all for the five-months period) were tire production, off 28 per cent; merchandise imports, 23 per cent; merchandise exports, 20 per cent; wool consumption, 24 per cent; cotton consumption, 19 per cent; rubber consumption, 18 per cent, and gross railway earnings, 12 per cent. In a still lower list of decreases were to be noted bituminous and anthracite coal production, off 10 per cent; car loadings and coke tonnage, nine per cent; silk consumption, six per cent; cigar output, 7.5 per cent; shoe production, five per cent, and crude petroleum output four per cent.

In financial lines, stock sales were 8.3 per cent lower for the half year and new domestic capital issues 12 per cent. Bond sales, however, were 11.1 per cent larger than a year ago.

Lines showing increases for the first five months of this year over the similar period in 1929 were cement and cigarette production, fractions of one per cent; electricity output, 2.7 per cent; gasoline consumption, 9.6 per cent, and public-utility gross and net earnings three and four per cent respectively. Fire losses were seven per cent larger and new life-insurance sales 1.3 per cent above 1929.

All export trade suffers

THE DECLINE of 17.3 per cent in domestic exports from May a year ago was relatively most marked in raw food, largely the grains, and raw materials, mainly cotton, in which the decreases from a year ago were respectively 41.5 and 28.5 per cent. However, the decline in the three branches of manufactured goods—foods, partly finished and finished goods—totalled \$40,000,000, as against \$25,000,000 in raw foods and raw materials. Thus it will be seen that all branches of our export trade suffered more or less.

Owing to the widespread downward trend in prices, price indices moved into new low ground. Bradstreet's July 1 Index was the lowest since November 1915, having dropped 1.9 per cent from June 1. It was the ninth successive monthly decline, by the way.

Business Indicators

Latest month of 1930 and the same month of 1929 and 1928 compared with the same month of 1927

	Latest Month Available	Same Month 1927=100%		
		1930	1929	1928
<i>Production and Mill Consumption</i>				
Pig Iron.....	June	95	120	100
Steel Ingots.....	June	102	145	107
Copper—Mine (U. S.).....	May	84	130	103
Zinc—Primary.....	June	87	106	102
Coal—Bituminous.....	June*	96	109	100
Petroleum.....	June*	103	111	96
Electrical Energy.....	May	119	120	106
Cotton Consumption.....	May	74	101	88
Automobiles.....	June*	115	180	125
Rubber Tires.....	April	94	123	100
Cement—Portland.....	May	103	97	104
<i>Construction</i>				
Contracts Awarded—36 States—Dollar Values	June	97	90	102
Contracts Awarded—36 States—Square Feet	June	64	97	121
<i>Labor</i>				
Factory Employment (U. S.)—F.R.B.....	May	91	103	97
Factory Pay Roll (U. S.)—F.R.B.....	May	90	107	97
Wages—Per Capita (N. Y.).....	May	100	103	100
<i>Transportation</i>				
Freight Car Loadings.....	June*	90	104	98
Gross Operating Revenues.....	May	90	104	98
Net Operating Income.....	May	81	120	103
<i>Trade—Domestic</i>				
Bank Debits—New York City.....	June	114	131	138
Bank Debits—Outside..... (X)	June	100	108	109
Business Failures—Number.....	June	111	96	106
Business Failures—Liabilities.....	June	183	89	87
Department Stores Sales—F.R.B.....	June	95	105	103
Five and Ten Cent Stores Sales—4 Chains.....	June	108	119	112
Mail Order House Sales—2 Houses.....	June	158	160	124
<i>Trade—Foreign</i>				
Exports.....	May	82	98	108
Imports.....	May	82	115	102
<i>Finance</i>				
Stock Prices—30 Industrials.....	June	141	186	124
Stock Prices—20 Railroads.....	June	98	113	102
Number of Shares Traded.....	June	163	148	133
Bond Prices—40 Bonds.....	June	98	96	100
Value of Bonds Sold.....	June	71	73	81
New Corporate Capital Issues—Domestic.....	June	91	124	120
Interest Rates—Commercial Paper, 4-6 Months.....	June	83	147	115
<i>Wholesale Prices</i>				
U. S. Bureau of Labor Statistics.....	May	95	102	105
Bradstreet's.....	June	85	101	106
Fisher's.....	June	94	105	106
<i>Retail Purchasing Power, July 1914=100%</i>				
Purchasing Power of the Retail Dollar.....		May 1930	May 1929	May 1928
Purchasing Power of the Clothing Dollar.....		64	63	62
Purchasing Power of the Food Dollar.....		63	60	59
Purchasing Power of the Rent Dollar.....		67	65	65
		64	63	61

X Excludes Boston, Cleveland, Chicago, Los Angeles, Phila., Detroit, San Fran., and New York.

* Preliminary.

Prepared for Nation's Business by General Statistical Division, Western Electric Co.



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Listening In on Congress

The Record provides a diverting program for the Poplar Glen Ladies' Club

DEAR MR. EDITOR:

You will be interested to learn that at our last meeting before adjourning for the summer, the Poplar Glen Ladies' Club substituted a little light literature for the reviews of the Government's "books-of-the-month," of which I have told you in past letters, and enjoyed some readings from the *Congressional Record*.

I first got the idea that this might make a nice summer program when I heard Mr. Slocum giggling over his *Record*, but he told me that the ladies of our club would never be able to understand what it was about. However, I started out with the part about mosquitoes in Washington, that being easy to understand, at least in Poplar Glen.

It seems that it occurred to somebody in Washington that if mosquitoes could be abolished in Panama by the Government, they might also be abolished in Washington, and it was put up to Congress to provide \$65,000 to do the job. While this sounded reasonable enough to us in Poplar Glen, yet when the proposal to spend this money was brought up before the Appropriations Committee of the House of Representatives, it did not look so good to the chairman.



"Somebody who knows something about the mosquito situation should explain it to us," he said. "We should not appropriate \$65,000 for the eradication of a few odd mosquitoes. Is this a matter of safeguarding the public health or safeguarding bald-headed people who want to sit on front porches."

Well, it seems that somebody went out and brought in the Washington health officer, and after he had been checked and double-checked he admitted that he had not heard of any particular sickness coming from mosquitoes.

One of the Senators, Mr. Glass from Virginia, the same one who could not learn to like the dial telephone, dis-

proved of the idea, also. He said he had lived 18 years at a hotel downtown.

"I have never heard, I have never seen, I have never been bitten by a mosquito," he added.

At that, Senator Barkley, from Kentucky, spoke up and said that because there are no mosquitoes in the Raleigh Hotel is no proof Washington is entirely bereft of them, and he wanted to offer his testimony that the District of Columbia had its full quota of mosquitoes.



Mr. Glass said he was willing that the Senator from Kentucky should "go on record as having been bitten by a mosquito"; but, he said, "there are no more mosquitoes in the District of Columbia than there are in thousands of other cities where appropriations of \$65,000 are not made to chase them with automobiles."

The joke about chasing them with automobiles got started in the Appropriations Committee, when somebody revealed that they were going to buy automobiles with some of the money.

"Well," Mr. William R. Wood said, "automobiles to hunt mosquitoes with?"

And they said "yes."

Senator Barkley did not contend, he said, "that the automobile is a proper vehicle in which to go gunning for mosquitoes" and Senator McKellar, from Tennessee, could not understand why automobiles were necessary to overtake mosquitoes, since, he said, "the range of the mosquito is about 300 yards."

Senator Bingham, who used to be a professor at Yale, tried to be serious and to explain to them that there were 8,000 catch basins where mosquitoes breed in Washington, and automobiles were necessary for men who would have to travel around to these places and put in mosquito poison every ten days or so.

When they had finished their jokes, the Senate passed the appropriation, after trimming off \$5,000 of it.

The ladies of the club were also interested in certain phases of the tariff discussion, as revealed by the *Record*.

When committees of the Senate and House met in conference to compose their differences in the tariff bill, we learned, the Senate took the precaution to arrange that the flexible tariff clause and the debenture clause could not be changed unless the Senate had a chance to vote on the changes separately. Under those conditions the House conferees refused to talk at all on those subjects, so the Senate conferees came back to the Senate and asked to be relieved of their promise, Mr. Smoot (Utah) offering the resolution and Mr. Watson (Indiana), the majority floor leader, helping.

Up rose Mr. Robinson (Arkansas), minority floor leader, and said that "for once over a long period of time we have the Senator from Utah and the Senator from Indiana exactly where we want them. We have them tied to carry out the wishes of the Senate, and, so far as I am concerned, I would like to bind them a little tighter, instead of releasing them from their obligation."

Mr. Watson did not like that, and after he and Mr. Robinson had talked a while, Senator Shortridge (California) broke in to answer Senator Robinson, who insisted that the Senate was too ready to surrender to the House.

"That may be so," Senator Shortridge started off, but Senator Robinson cut him short with:

"It is so, is it not?"

"No," Mr. Shortridge said, "if the Senator will permit me—"



But Mr. Robinson would not and cut him off with the question:

"How may it well be so if it is not so?"

And at that everybody laughed, including the galleries, who must not laugh, no matter how funny the Senate is. After the Vice President had finished



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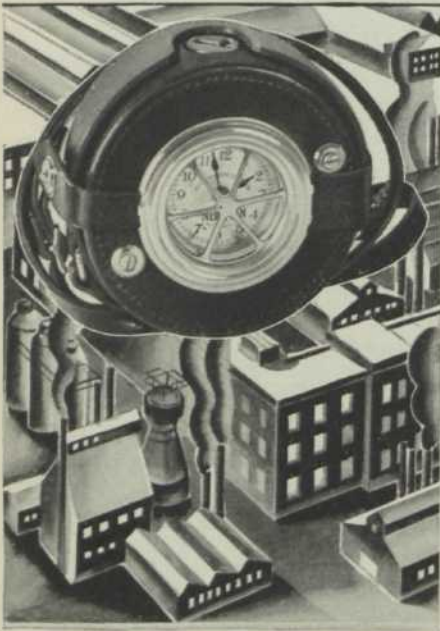
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scolding them, Mr. Shortridge remarked: "If this is a theater for buffoonery, be it so."

Mr. Robinson asked if Mr. Shortridge meant "to characterize this debate in that spirit?"

Mr. Shortridge said:

"I characterize the proceedings here now as buffoonery, but not imputing any such act to my friend."

"If the Senator wishes to do that," Mr. Robinson shot back, "I am perfectly willing to leave it to anybody present to determine who is the buffoon."

"Very well," Mr. Shortridge answered; "if the Senator thinks that remark is courteous, he thinks it; I do not."

After a round of long speeches, Mr. Shortridge began again to tell how in the tariff conference "one day, when, after a sort of herculean effort, I got the attention of my associates to pipe up and say a word or two, I joined in the thought that we could at least discuss the matter. But, as senators know, there was no discussion nor anything that was worthy of being called a discussion on the merits of the one or the other of these propositions. It was the same in respect to the other six provisions. Of course I may be old-fashioned. I may be backward-looking. I may come from the far West—"

"Not from a backward state"

JUST HERE Mr. Borah (Idaho) looked up from his desk and said, "But not from a backward state!" It seems that he has not forgotten that Senator Grundy (Pennsylvania), just before the latter became a senator, referred to Idaho as a backward state.

Mr. Shortridge went on:

"But not from a backward state, as my friend from Idaho remarks. I may not be able to grasp these great problems. But I favor a tariff on silver. Ah, but the manufacturers here in the East opposed the tariff on silver. I say they are shortsighted and narrow and provincial. We of the West favor a tariff on wool and certain manufactures of the East and certain college professors—oh, those college professors! Sometime I shall take a day off to express my views touching their capacity to guide this Nation! They are opposed to a tariff on wool. The one outstanding purpose of the tariff is the raising of revenue.

"Why, away out yonder where the sun sets reluctantly as it bids good night to California—in that state which is attracting the best citizens from every

state of the Union who are going there to make their homes and be happy ever after—"

But just here Mr. Robinson piped up and reminded him that "neither of the Senators from Florida is present," and everybody went off again into a laugh. After they had talked a little more, the Senate released the conferees from their promise.

Agricultural attachés

THE *Record* also revealed an interesting discussion that attended a bill before the House providing agricultural attachés to our consulates, to get information for the Farm Board. The chairman of the Appropriations Committee, Mr. Wood, said they all ought to belong to the commercial attachés, whom we were already paying \$5,000,000 a year. After much talk, one way and another, Mr. Collins (Mississippi) asked:

"The gentleman from Indiana (Mr. Wood) understands their duties will be almost entirely social, does he not?"

"No, I can not subscribe to that," Mr. Wood said.

"What else will they have to do?" Mr. Collins wanted to know.

"They would have more time for social duties," Mr. Wood admitted; "of course we enlarged the Army. It was gratifying to me, however, in my two visits over there, to find that there were fewer gentlemen representing the government service of this country today who were wearing spats and carrying canes than there were 20 years ago."

Mr. Ketcham (Michigan), who wanted the agricultural attachés placed under the Department of Agriculture, spoke up:

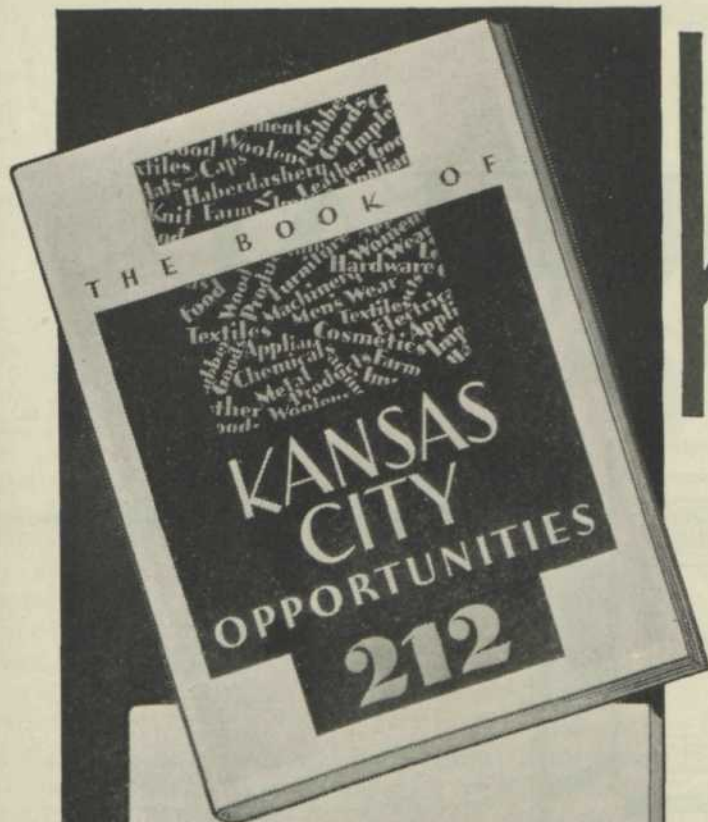
"If it is the custom of the men in the foreign service to wear spats, will the gentleman (Mr. Wood) please answer this: Is it not fair to have the farmers in the gentleman's State of Indiana, who might be named as attachés, given an opportunity to wear spats like the rest of them?"

To which Mr. Wood replied: "If I were a candidate for Congress I would have very poor hopes of my success if I carried a cane among the farmers."

He concluded by saying that they need not fool themselves about the voter, for "he has more sense than we have. In the long run, you will find the voter right."

This last seemed to flatter the ladies of our club a great deal and added to the feeling of responsibility we ladies have for public affairs.

MARTHA MARY SLOCUM.



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TWO significant books that tell the *facts* about the market and manufacturing advantages in the Central West and Southwest are available to industrial executives: The Book of Kansas City Opportunities and The Book of Kansas City Facts.

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Kansas City needs certain new industries to round out its industrial activity. It may be that *your* products are used here in large volume, yet of necessity bought from distant markets. The *facts* are available as to economy of manufacture in Kansas City . . . let these two books and any special study that may be necessary give you the true picture, without obligation.

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"SEQUELAE" (seh-kwee-lee) is the doctor's word for the whole range of consequences and serious complications following certain illnesses. Weakened hearts, kidneys, lungs, defective hearing or eyesight and other physical impairments may be the Sequelae of many diseases.

There is a homely old expression, "not out of the woods yet", which fairly describes the condition of a patient who has successfully passed the crisis of a serious illness.

Your doctor will tell you that sometimes the Sequelae, or after-effects, are more to be dreaded than the disease from which you are apparently

recovering. Don't think him an alarmist if his orders are strict about not getting up from bed too soon, or if he makes a thorough physical examination after you think you are entirely well.

COLDS break ground for pneumonia, influenza, or tuberculosis. Deafness, sinus infection, or chronic rheumatism, or a weakened heart may follow an ordinary cold.

TYPHOID FEVER leaves the patient more susceptible to other diseases and sometimes affects the heart and gall-bladder.

DIPHTHERIA may injure the heart or cause paralysis.

MEASLES may be followed by pneumonia, kidney trouble, loss of sight or hearing.

WHOOPING COUGH may be followed by pneumonia or tuberculosis.

TONSILAR INFECTION may be followed by rheumatic fever or heart trouble.

SCARLET FEVER may affect the heart, kidneys or ears.

RHEUMATIC FEVER often seriously injures the heart.



The Metropolitan health booklets tell in plain language how some of the Sequelae of diseases may be avoided. If anyone in your family is suffering or recovering from one of the diseases which may leave serious after-effects, send for the Metropolitan's booklet concerning it and learn just what you should know about the possible Sequelae. Address Booklet Dept. 830-U and name the booklet you want. It will be mailed free.

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NEWS OF ORGANIZED BUSINESS

By WILLARD L. HAMMER

Reserve Report

THE Finance Department of the Chamber of Commerce of the United States has recently published a report of the banking and currency committee on the Federal Reserve System. The report is the result of an extended study of the System by a committee of 50 men chosen from all of the Federal Reserve districts and representative of commerce, industry, banking, labor, and agriculture.

The report deals with the structure of the System, and its policy and administration. In a separate booklet the same committee has made auxiliary statements reviewing eight fundamental phases of the bank operation which have attracted public attention without being clear in the public mind. These statements deal with rediscount operations, open-market operations, credit policy, structure of the system, reserve requirements for member banks, note issuance, membership, and bank credit and the security market.

These reports, we believe, will be of considerable value to those interested in reserve banks. Together, the books sell for 75 cents. Address the Chamber of Commerce of the United States, Washington, D. C.

Course at Northwestern

THE National Institute for Commercial and Trade Organization Executives will be held this year at Northwestern University, Evanston, Ill.

The courses are divided into four groups: fundamental, dealing with subjects with which every trade-association executive should be familiar; technical subjects, dealing with general organization administration; specialized subjects, dealing with activities undertaken by many organizations, but not featured by all, and postgraduate work, which is provided for students who have received the certificate of the Institute in the commercial-organization course.

Further information can be obtained from the National Institute for Commercial and Trade Organization Executives, 607 First National Bank Building, Chicago.

tives, 607 First National Bank Building, Chicago.

Sponsors Newspaper

SOMETHING new in Chamber of Commerce work, we believe, is the recent activity of the East Side Chamber of Commerce in New York in sponsoring the publication of a weekly newspaper devoted to that community of Manhattan.

That Chamber had felt that the community had been slipping in relation to the rest of the city. The paper is part of the publicity which the Chamber is using to help build the lower East Side up to the importance apparently deserved by its location on Manhattan.

Institute Program

THE University of Virginia announces that the fourth session of the Institute of Public Affairs will be held this year August 3-16. Domestic problems of the United States will be emphasized particularly. They will be discussed by men charged with their public administration and by those actively engaged in public affairs. The program will be limited to governmental problems—national, state and local—and the social and economic conditions underlying them.

Round-table discussions, open forums, and public addresses will compose the program.

The Institute of Public Affairs was inaugurated in 1927 to advance popular understanding of public questions and to stimulate interest in public affairs. The attendance has shown a large increase in the past three years. Further information may be obtained from the Institute of Public Affairs, Box 149, University, Va.

Buffalo Publication

PARTICULARLY interesting among chamber of commerce publications is *The Niagara Area*, a special edition of the magazine of the Buffalo Chamber of Commerce. Neatly bound, well printed, and amply illustrated, the publication contains many articles on industry, agriculture, and power in the many smaller centers around Buffalo.

Flagging New Members

THE New Orleans Association of Commerce has what we believe is a novel way of maintaining a continuous drive for members.

Attractive desk flag sets are given old members who bring in new members. The sets are composed of small silk flags of nation, state and city, set on poles about one foot high. The sets make attractive desk ornaments and since they are made especially for the Association and cannot be bought, they are responsible for several new members each week.

Where Business Will Meet in August

(From information available July 1)

4-9	National Association of Chiropractors.....	Detroit	Statler Hotel
5	Universal Craftsmen Council of Engineers.....	Springfield, Mass.....	
9	National Haymakers Association of the United States	Atlantic City	
12-15	International Apple Association	Grand Rapids	
18-20	American Association of Cosmeticians and Hair Artists	Chicago	Sherman Hotel
18-20	Southeastern Association of Dyers and Cleaners	Jacksonville, Fla.....	George Washington Hotel
18-21	Association of Electricians—International.....	Milwaukee	
18-21	Federation of Mutual Fire Insurance Co's.....	Los Angeles	Hotel Schroeder
18-21	National Association of Mutual Insurance Companies	Los Angeles.....	
24-28	National Exchange Club	Indianapolis	Biltmore Hotel
26	Ohio Valley Druggists Association.....	Toronto	
27-29	American Fisheries Society.....	Pemberton, N. J.....	Royal York Hotel
28	American Cranberry Growers Association.....	Yellowstone Park, Wyo.	
30-Sept. 9.	Contracting Plasterers Association.....		



Let Us Give You The Facts Then You Decide!

Public warehousing is a subject which has proved of vital interest to alert business executives during this year of intense competition, 1930. Manufacturers and distributors who study the A. W. A. plan of distribution find to their delight that it is the most economical and most effective method of maintaining spot stocks in strategic locations throughout the country.

The member warehouses of the A. W. A. do everything that your own branch houses could do in the physical distribution of your merchandise. We receive your goods in carload or less-than-carload lots . . . store it for you until needed . . . and then distribute it wherever you wish.

We will receive orders from your head office, your salesmen or your customers . . . assemble from stock, pack, mark and ship your goods on the day the order is received . . . using your name as shipper to preserve your identity with your customers. If you wish, we will make "store door delivery" in any or all of our 126 cities and their suburbs . . . and arrange for store door delivery in the smaller towns of our respective trade territories. Your representatives may even use our warehouse offices for receiving mail and telephone calls, if you wish!

We will report all shipments or deliveries of your merchandise as they are made; and follow it at the close of each month's business with a stock report. If you furnish a list of your customers whose requisitions are to be honored direct, we can save days of time in filling orders.

And wherever you are now shipping your goods in less-than-carload lots, we can help you arrange for carload shipments to a central market . . . then break up your carloads into smaller lots for re-shipment a short distance to final destination. Your saving in freight will be large and you will speed up delivery by days or weeks.

A 32-page booklet, recently published, will give you the preliminary facts. Our Marketing Survey (made on request, without obligation) provides the detailed information you need to determine how the plan affects your specific problems.

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On the Business Bookshelf

WITH the great increase in market research during the last few years, it was to be expected that authoritative works on marketing would appear. One by Paul Converse gives a very good survey of the whole field of distribution.¹

In an even 1100 pages one cannot say all that there is to be told of marketing, but Mr. Converse has covered the field rather well. From farm products—grain, livestock, cotton, tobacco, fruits, and so on—through the various branches of trade runs Mr. Converse's story and not too technically to be readable.

Next to the collection of his voluminous material, we believe his best work is in eliminating superfluous detail.

"PROBLEMS in Investment"² is the title that fits Mr. Badger's book to a T. The book consists of a series of problems for use principally in classroom instruction.

WE would say Professor Nystrom's book³ is primarily of use to sales managers. Not that it is too technical to be understood and read by laymen, but the subject limits the number of readers.

It seems an excellent work on the subject.

AN exhaustive survey of the methods by which wage-earners in a Boston retail establishment were to share in management is included in Mary LaDame's report on the Filene Store.⁴ While the volume records that most phases of the experiment of sharing management, profits, and ownership have been abandoned, it points out that for some large store which may try similar objectives in the future, valuable practical experience has been gained. This store's experience emphasizes the need for attention to the selection, training and good-will of employees, according to the writer.

¹The Elements of Marketing, by Paul D. Converse. Prentice-Hall, Inc., 1930.

²Problems in Investment, by Ralph Eastman Badger. Prentice-Hall Inc., New York, 1930.

³Economic Principles of Consumption, by Paul H. Nystrom. The Ronald Press Company, New York. \$5.

⁴The Filene Store—A Study of Employees' Relation to Management in a Retail Store. Mary LaDame, Russell Sage Foundation, New York, 1930. \$2.50.

THE National Industrial Conference Board, always ready with statistics and charts and explanations, now comes out with "The Cost of Living in the United States, 1914-1929."⁵ For those interested in figures as proof, this book presents figures; for others it presents easily understood charts showing seasonal fluctuations in the cost of many commodities and the fluctuations in the cost of living from 1914 to 1929. Variations in costs of the components—food, housing, clothing, etc.—that go to make up the cost of living are also portrayed.

In the first part of the period covered, fluctuations were violent; in the latter part, more restrained. After the low point in the cost of living reached in 1922 there was a moderate increase until the third quarter of 1925. Since that date there has been an equally moderate decrease which continued until the publication of this report, and from our experience seems not to have ended yet.

THE third edition of "Keane's Manual of Investment Trusts"⁶ shows a total of 608 trusts—an increase of 31 per cent over the number recorded in last year's edition.

Part I is devoted to statements and lists of investment trusts. Part II contains brief statements of theories of investment trusts, regulations regarding them, directories, and classified lists of securities and their price ranges.

"A DICTIONARY of Color"⁷ is first a sample book of practically all colors and their shades, then a comment on the history of color and color standardization, concluding with an index of color names by which one may find samples of the colors in the color plates.

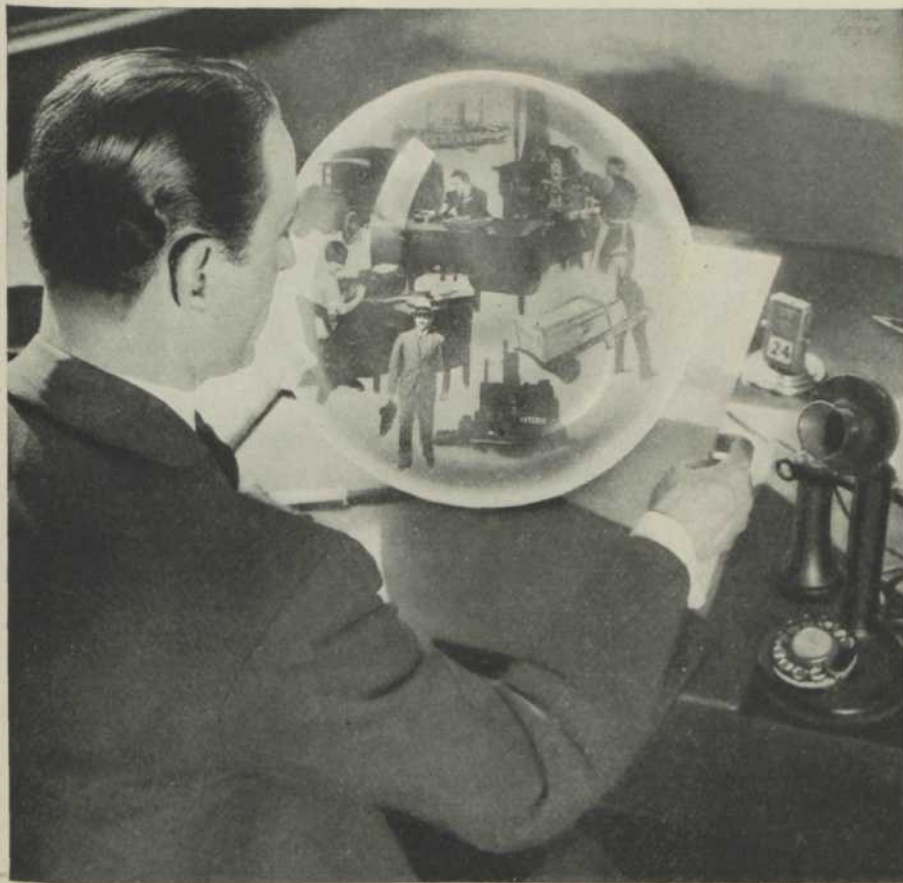
"FORMULAS, Recipes and Processes"⁸ contains 10,000 formulas for everything from acids and adhesives to wood and yeast.

⁵The Cost of Living in the United States 1914-1929, National Industrial Conference Board, Ind., New York, 1930. \$2.50.

⁶Keane's Manual of Investment Trusts, third annual number. Financial Publishing Company, New York, 1930.

⁷A Dictionary of Color, by A. Maerz and M. Rea Paul, McGraw-Hill Book Company, Inc., New York, 1930. \$12.00.

⁸Henley's Twentieth Century Formulas, Recipes and Processes, edited by Gardner D. Hiscox. The Nowman W. Henley Publishing Company, New York, 1930.



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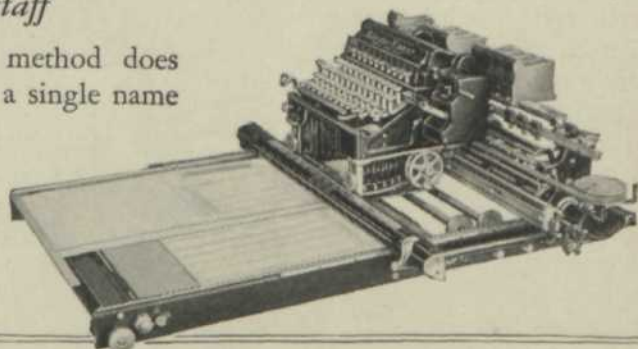
Many executives are keen enough to move fairly well in the right direction in spite of such handicaps. But thousands of others have turned to Elliott-Fisher for a truly accurate method of business control.

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WHAT I'VE BEEN READING

By WILLIAM FEATHER

President, the William Feather Company, Cleveland, Printers and Publishers

"SEVEN HORIZONS"¹ is the fifteenth book that Charles J. Finger has written in the decade since he turned from junking railroads to literary production.

It seems incredible that this man who spent much of his life adventuring in lawless lands in the remotest parts of the world could later turn to railroad-ing and make a success of it, and then shift again and establish himself as one of the foremost literary characters of his time.

Finger has done all that. In addition he has reared a large family, educated his children, and lived a freer and wholesomer life than is the lot of most of us.

Many are the victims of conflicting desires, and consequently find themselves baffled in whatever they undertake. If they can succeed in business, they wish they were writers. If they are the fathers of three or four fine children, they long for life in the backwoods or the South Sea Islands. If they are writers, they resent the necessity of living in big cities, close to the market for their product.

Finger has demonstrated that most of these hobbies are of our own making. The majority lack the energy and courage to break their shackles. Perhaps energy and courage are a gift like blue eyes and long legs.

Finger has both energy and courage. Of energy, he has more than any other man I know. He is old enough to be a grandfather and yet he can still do more work in one day than most men can do in five. In one day he can write a chapter of a book, dictate two dozen letters, kill and dress a steer, shear a dozen sheep, climb a mountain, sail a boat, and swim a stream.

He can step off a train in the morning at five o'clock, explore places the natives have never heard of before nine, make four calls before noon, lunch with twelve men, make eight more calls by five, and appear for dinner at seven as fresh and bright as though he had slept all day.

He is superb company because he has been everywhere, knows every one, has read everything, and likes both to talk and listen. My meetings with him have been infrequent but always exciting. His enthusiasms are boundless. He is honest and forthright. He can be as hearty in his praise of a story by an unrecognized writer as of a new play by Shaw.

In his own writing he can so infuse an ordinary adventure with gayety, romance and good-fellowship that the participants will scarcely believe that they were present. He will be true to his facts, but a 24-watt lamp to some of us is a sunset to Finger.

"Seven Horizons" glows with the optimism, the charm, and the story-telling ability of a man who is highly charged with vital energy and happy

to be alive. I read the book backward, taking the last chapter first. I was slightly suspicious of Finger's romanticism and wanted to check the ten years with which I am familiar. I can attest that his tale of those years is accurate, and so I must concede that the account of his adventures in strange lands and on desert islands is equally true.

Since Finger has been all things himself, most readers can identify themselves with him. Thus will his odd doings become plausible.

"Seven Horizons" is one of the great autobiographies. It reveals a great personality. It breathes the spirit of a man who has been thoroughly alive since he was born.

IN "A History of Financial Speculation,"² R. H. Mottram offers the following definition of speculation:

"A speculative investment is one which has been found by experience to be unsuccessful."

Mottram also offers an unusual interpretation of the beatitude "The meek shall inherit the Earth."

"The truth contained in these six words is plain enough in the pages of history," he says. "The speculator never inherits the fruits of his effort. Absorbed, like the artist, in his effort, the truer he is to type the more certain he is to die in harness. Humble populations succeed to the benefits."

When one contemplates the thousands of ineffective heirs who are living fatly on the proceeds of trusted estates one must concede that the meek do truly inherit the earth.

Another of Mottram's theories is that there is a re-



Charles J. Finger

¹Seven Horizons by Charles J. Finger. Doubleday, Doran, New York. \$5.

A History of Financial Speculation by R. H. Mottram. Little, Brown & Company, Boston. \$4.

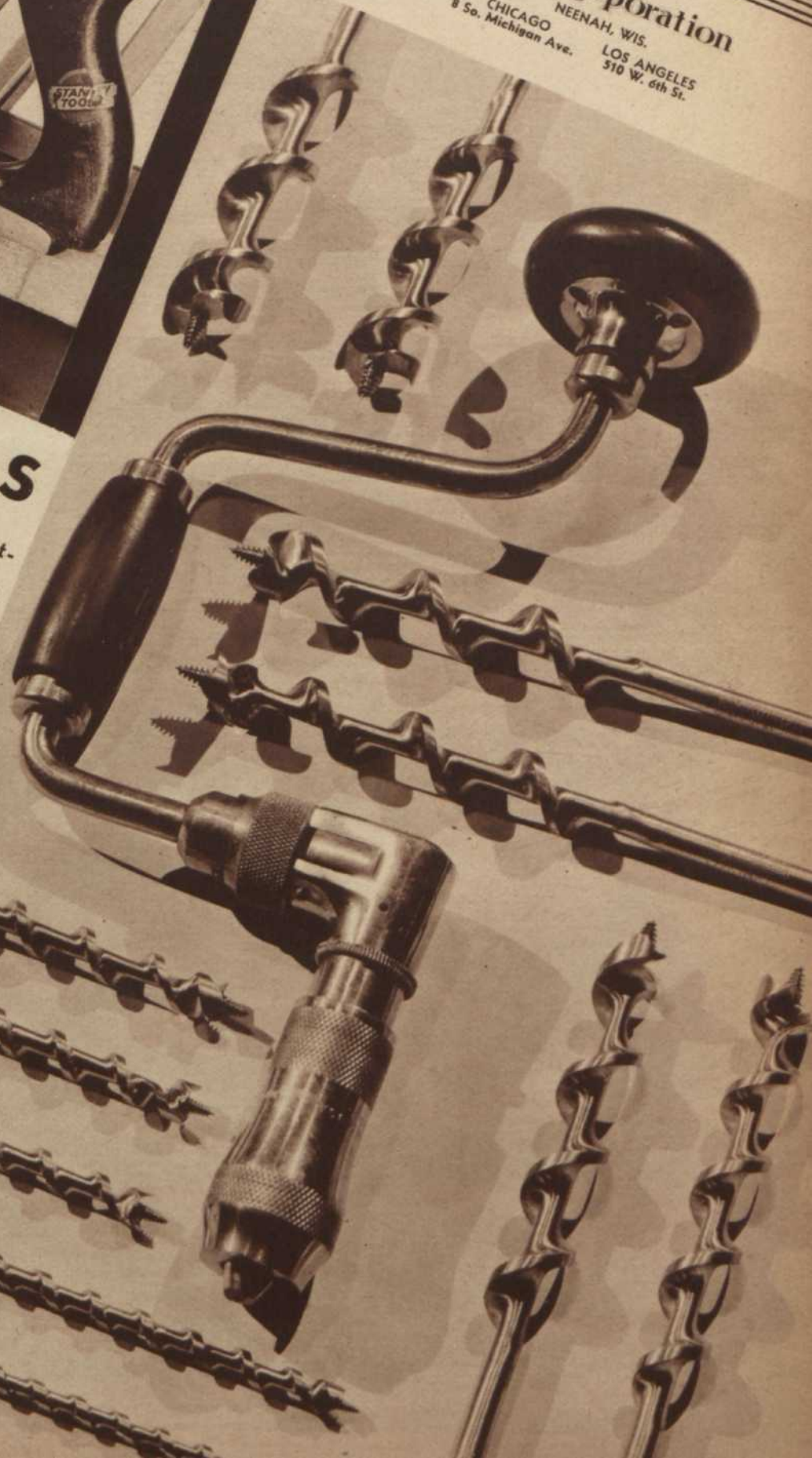


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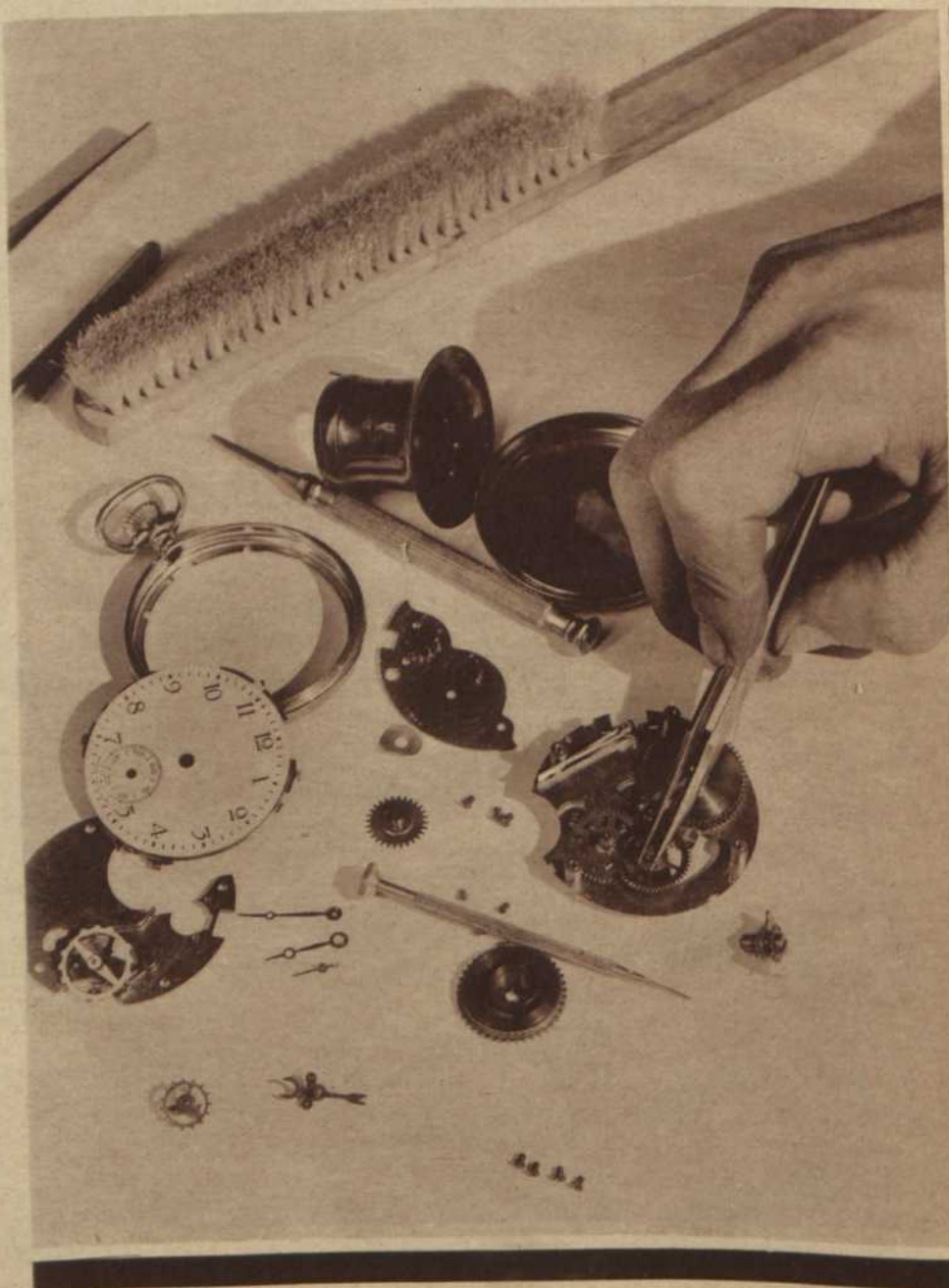
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lationship between religion and successful speculation.

"We find," he writes, "that speculation varies inversely as the control which any of the larger religious systems have been able to maintain over certain peoples. Where, on the other hand, religious observance has been pruned back to some direct appeal from the individual to God, speculation has become dominant, because such forms of religion can only be maintained by very vital types—witness the Jews, the Parsees, the Quakers. Further evidence is afforded by the marked manner in which the Irish become materially prosperous directly they move outside their island parishes."

In occasional spots the book contains shrewd observation, as indicated by the foregoing. Mostly it is dull reading.

A STATEMENT on the jacket of "King Mob"^a by Frank K. Notch reads:

"This is a cry of protest against the organized power of modern advertising, current catchwords, and high-pressure salesmanship—against the organized mob: it exposes the corruption of the American mind and indicts the accomplices in the corruption.

"The author, whose pseudonym conceals for the time being the name of an experienced writer, spares no one in his exposures of 'panicking the public,' whether the object of his attack is publishers or publicity men, authors or critics, politicians or perfumers; and his book may easily become a rallying point for those individuals who are inclined to revolt against the mass."

To which our answer is that if this book excites a rally we shall stay away. The first three chapters give promise of something exciting, but after naming a couple of publishers and a half-dozen authors, the writer wanders into a dreary philosophical discussion of mob psychology. He concludes that we must assert ourselves as individuals, that "an individual has the right to be for his own sake." Provided (say we) he can find somebody to support him.

This man's error is (1) that the best sellers are always bad, and (2) that people have no right to read books purely for entertainment.

He enunciates the bromide that the man who reads and re-reads a dozen great books in a lifetime and makes them part of himself is better off than the person who gallops through a book

^aKing Mob by Frank K. Notch. Harcourt, Brace and Company, New York. \$2.

FAMOUS READING ANTHRACITE

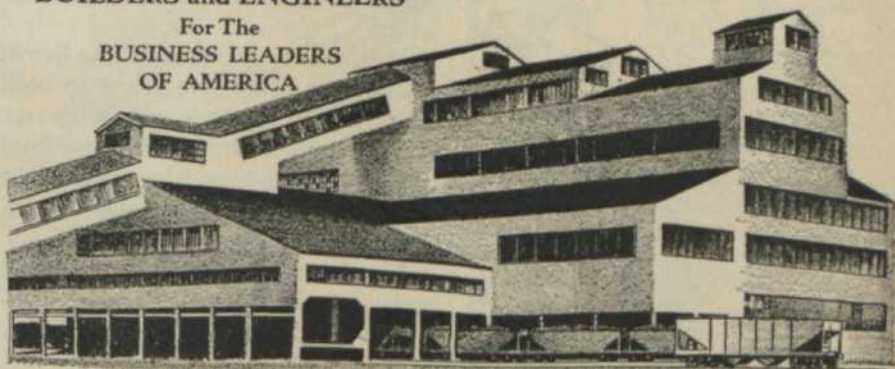
HANDLING 12,500 TONS OF ANTHRACITE PER DAY

Stone & Webster Engineering Corporation designed and built the largest hard coal breaker in the world for The Philadelphia and Reading Coal and Iron Company. This single unit handles 12,500 tons of coal per day at record speed—crushing, cleaning, grading, and delivering it in various sizes to freight cars.

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★ Read your answer in the "stars". They mark the danger spots in everybody's holiday. Just as much need for an AETNA Sports Liability Policy as for an AETNA Accident Policy—and here is the reason:

★ An Accident Policy protects you from financial loss only in case of injury to yourself. But should you injure others while golfing, hunting, boating, fishing, or any other sport, a Sports Liability Policy covers you against all loss (up to the limits of the policy) and all expense (without limit) resulting from personal injury claims regardless of whether liability exists or not!

★ Aetna is the first multiple line insurance organization in America to pay to its policy holders one billion dollars. Aetna writes practically every form of Insurance and Fidelity and Surety Bonds.



Aetna protection reaches from coast to coast through 20,000 agents. The Aetna-izer in your community is a man worth knowing.

Aetna Casualty and Surety Company; Aetna Life Insurance Company; Automobile Insurance Company; Standard Fire Insurance Company, Hartford, Conn.



AETNA-IZE

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a month or a book a week. To answer this, let us imagine what a man who reads only one book a year will do with the rest of his time. Shall he play bridge, go to the movies, sleep, or just sit around and listen to the radio?

The point I want to make is that thousands of books have a right to be written, published, advertised, sold, and read, merely as entertaining time-fillers. When I bought "King Mob" I did not anticipate that the author was another Thoreau. I hoped for nothing other than a couple of hours of entertainment.

The public will never be "panicked" into buying "King Mob." The book isn't good enough. The truth is that before the public can be "panicked" into anything, the article must be pretty good.

The book clubs are doing a good job and are elevating the reading taste of the public. Simon and Schuster are doing a good job. "All Quiet on the Western Front" is a good book.

The author of "King Mob" thinks that the publication of the sale of a book is an illegitimate advertising appeal. I fail to follow him. The fact that a hundred thousand copies of a book have been sold is important information. If I had to choose between the best and the worst selling books, I should take the former.

The truth about the book business, in my opinion, is that it needs a lot more panicking. More books should be sold. More people should be reading books. The distribution of books has lagged miserably. The book-club idea was a modern adventure. The new \$1 books are another good adventure. There should be more sales outlets for good books.

As it is now, only readers who live in a few large cities have access to book stores where they can obtain current titles. Dozens of letters come to me from smaller cities asking where the books reviewed in these pages may be obtained.

As a lover of books and a reader of books, I hope and pray for more high-pressure advertising by the publishers.

★ "MY THIRTY YEARS' WAR" by Margaret Anderson held my interest from the first to the last word. Here is the story of an American woman, still on the bright side of 40, who has been stirring up the animals since she was in her 'teens.

"My Thirty Years' War" by Margaret Anderson. Covici, Friede, New York. \$4.

From her confession, I judge that she is more than good-looking, wears clothes well, is intelligent, and is able to avoid falling in love with men. Consequently she has suffered none of the handicaps that blight the careers of most women.

BEFORE she was 21, she broke from her family, who lived in Indiana, and went to Chicago where she wrote book reviews. Soon she founded the *Little Review*, which she published monthly for ten years, and occasionally for several years thereafter. Noted and unknown writers sent manuscripts to her. Her list of contributors is now imposing, since fame has come to so many of them. "Ulysses" by James Joyce first appeared in the *Little Review*, and its publication finally led to the arrest of Miss Anderson.

During the trial one of the judges roused himself from a doze when the prosecuting attorney announced his intention of having certain obscene passages read aloud. Regarding Miss Anderson with protective paternity, the judge refused to allow the obscenity to be read in her hearing. Her attorney explained that she was the publisher. The judge said he was sure that she didn't know the significance of what she was publishing, and beamed tenderly.

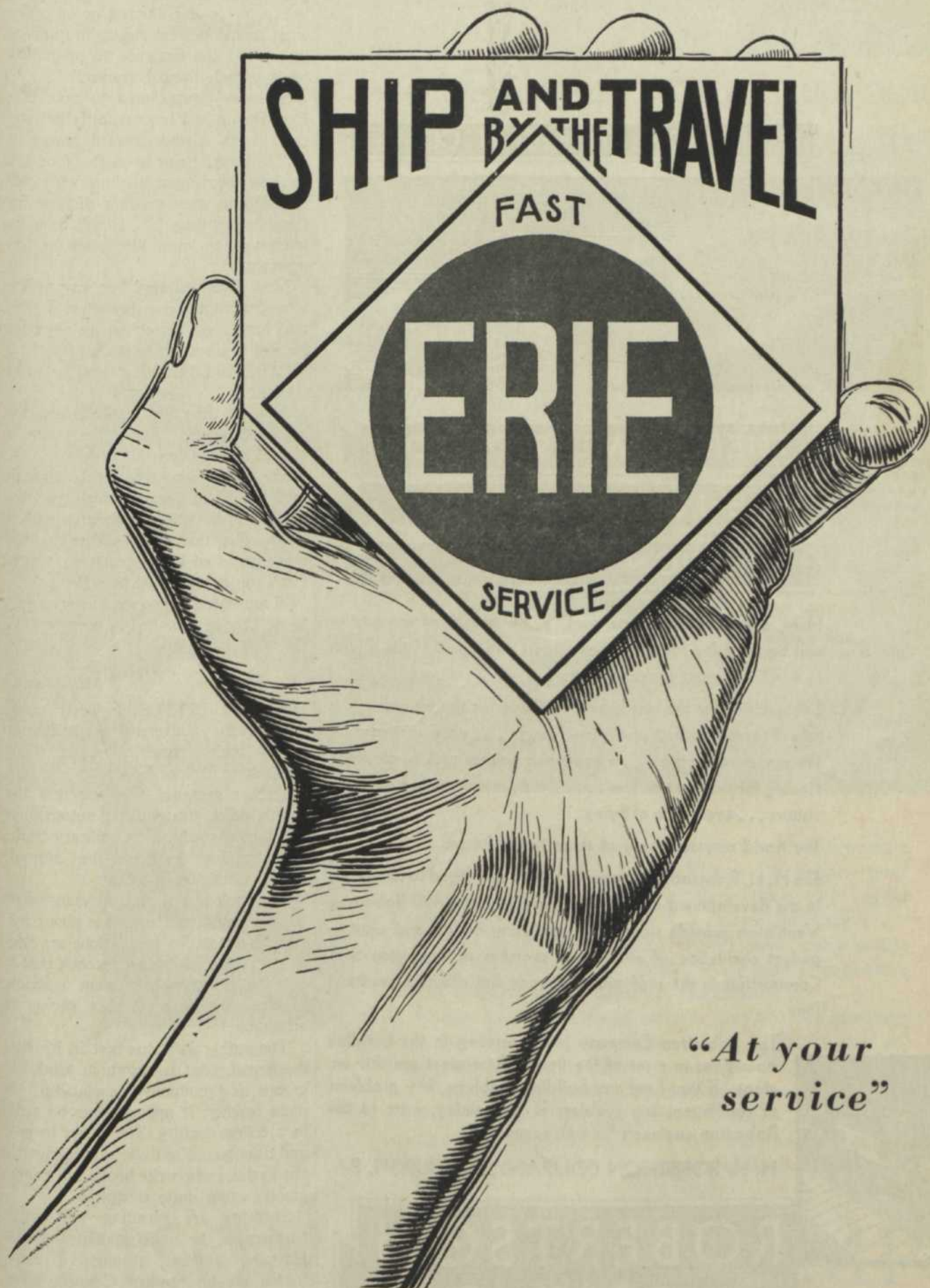
She was that kind of girl, quite disarming to elderly men.

Anecdotes and impressions of innumerable artists and literary persons appear in the pages of her autobiography, among them Sherwood Anderson, Ben Hecht, Carl Van Vechten, Gertrude Stein, Floyd Dell, Theodore Dreiser, Susan Glaspell, Emma Goldman, Carl Sandburg, Brancusi, Mary Garden, Ezra Pound, Djuna Barnes, Picasso, Richard Aldington, Jean Cocteau, Georgette Leblanc, and Ernest Hemingway.

Of "Farewell to Arms" by Hemingway, Miss Anderson says, "It seems to me the best novel that has come out of America for a long time."

Miss Anderson has been living in Paris since 1922. Of the life of an American in Paris, she says, "I am the last person to underestimate the evils of the pressure of contemporary American life—also the last to underestimate the benefits of contemporary European life.

"But there is no denying that there is something alive at the American core and that cutting oneself off from it slackens the pulse. Three characteristics mark all confirmed expatriates: slowness on the up-take; the tendency to



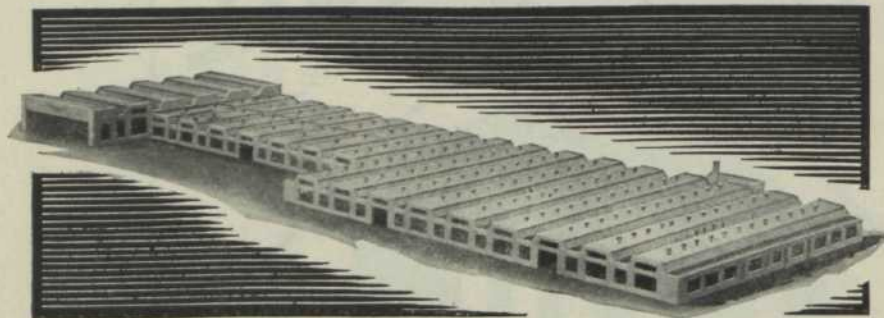
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New airport
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THERE IS A LESSON FOR

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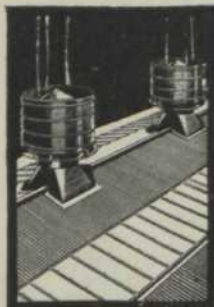
Laboratories for the engineer . . . shops for the artisan . . . a school for the student of airplane design . . . another school for the student of flying . . . a residence colony with hydroplane landing for the amateur flier . . . a hotel, restaurant and camp for visitors . . . every side of flying.

The world may see many of these in the future.

The H. H. Robertson Company has been privileged to cooperate in the development of this pioneering project. 450 Robertson Ventilators provide stormproof ventilating outlets and assist in perfect circulation of air. Great stretches of Robertson Sash Construction in the roof provide strong but diffused overhead light.

The Robertson Company is cooperating in the building operations in most of the fields where great projects are afoot. If you have any building problems, any problems of ventilation, any problem of daylighting, write to the Robertson engineers for their suggestions.

H. H. ROBERTSON COMPANY, PITTSBURGH, PA.



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H. H. Robertson Co.
Pittsburgh

When writing to H. H. ROBERTSON COMPANY please mention Nation's Business

personalize the impersonal—interpreting in terms of politeness or of policy what should be kept clearly in terms of ideas; and the tendency to orientalize one's attitude toward women."

She was disappointed to note that Ezra Pound had become fairly patriarchal in his attitude toward women.

"He kissed them upon the forehead or drew them upon his knee with perfect obliviousness to their distaste for these mannerisms. . . . It will be more interesting to know him when he has grown up."

Miss Anderson says her way of life altered abruptly one day when a man told her to get herself on an objective instead of a subjective basis.

"Act," said this man, "don't be acted upon."

Another time the man phrased his advice this way, "Remember you're a pianist, not a piano."

Miss Anderson says she is through with the *Little Review*, which was discontinued in 1929, and through with a lot of other things. Heretofore she has been interested in her reactions, henceforth she is interested in actions.

"I am trying to become a new human being," she says in the last paragraph of the book.

DR. C. C. LITTLE, formerly president of the University of Michigan, writes under these titles in "The Awakening College":

College entrance requirements, the dean's office, fraternities, automobiles and liquor, coeducation, military training, training teachers, the alumni, athletics, religion in college.

The book is a prosaic presentation of what is being said and done about colleges. No startling innovations are suggested. There is little in the book that is new, but for those who want a review of the subject Dr. Little's survey is admirable.

The author is at his best in his discussion of what is known in academic groups as "productive scholarship." A plain teacher, it appears, has no rank in a college faculty. The prizes in pay and titles go not to those who teach well but to those who write books and monographs, often quite worthless.

Students are pleading for better teachers in the undergraduate classes. Harvard students, through a committee of the Student Council, have said:

"Harvard has . . . a large number of

⁶The Awakening College by C. C. Little. W. W. Norton & Co., Inc. New York. \$3.

DO YOUR EMPLOYEES WORK IN GOOD LIGHT... OR POOR?



*MAZDA
The mark of a research service

GOOD light is one of the most important requirements in any place of business. Where the light is poor there is sure to be eyestrain, which is likely to bring on headache and other disorders that impair efficiency.

If your employees begin to "slow down" early in the day, the fault may not be theirs. Poor light is expensive where constant use of the eyes is demanded.

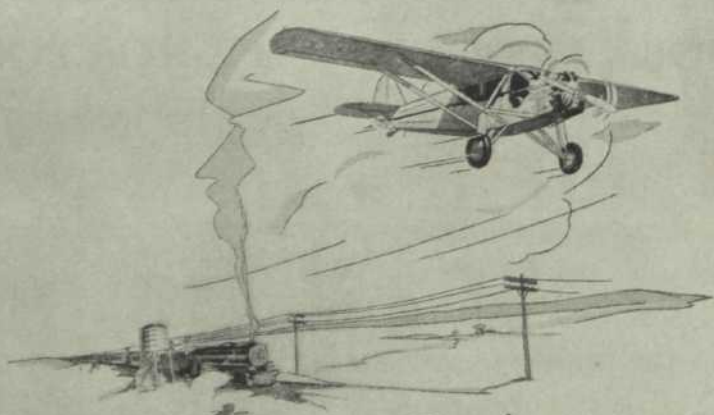
Edison MAZDA* Lamps embody fifty years of progress in electric lighting. They have the high quality that assures *full value of the current consumed*.

Write the Engineering Dept., Edison Lamp Works of General Electric Company, Nela Park, Cleveland, O., and we shall be glad to send you free bulletins concerning proper illumination in your particular kind of business.

EDISON MAZDA LAMPS

GENERAL ELECTRIC

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He got the Business
while his competitors were still on the way

CHARLES L. MORGAN, of Fort Worth, Texas, a well-known attorney for oil and gas interests in the Southwest, is one of the many Morgan, convinced that the future of the Southwest is in the air. He filed them in the party, in a file.

—and still another "Gets the Business"

"PLEASE have a sales representative call as soon as possible." This wire from a "hot" prospect caused the sales manager of a large eastern manufacturing company some concern.

"As soon as possible" meant at least twelve hours by car—by train, virtually three days to make the round-trip. And his competitors were also after the job. Then he recalled reading the advertisement reproduced above . . . *by plane*—only three hours!

Boarding a transport plane he flew to the customer's city. The customer was impressed, signed the order and the sales manager returned to his office the

same day. It was another case of the first one there, "gets the business."

The sales manager's company—having witnessed the value of fast air transportation—is now ready for a company-owned plane. And because Ryan offers proved business planes, they are planning on the purchase of a Foursome—a de luxe, 4-place executives' model. In addition to the Foursome, Ryan builds the Brougham for six and the Wasp-Powered Brougham for seven.

Let us show you how you can use a Ryan to advantage in your business. Write today and we will send you our illustrated catalog and arrange to have a representative call.

SISTER SHIP OF THE



"SPIRIT OF ST. LOUIS"

Ryan Aircraft Corporation
 Lockheed Aircraft Corporation
 Parks Air College, Incorporated
 Parks Aircraft Corporation
 Eastman Aircraft Corporation
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**DETROIT
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FORT AND CAMPAU STREETS, DETROIT
 Chanin Bldg., New York :: Roosevelt Bldg., Los Angeles

Blackburn Aircraft Corporation
 Marine Aircraft Corporation
 Grosse Ile Airport, Incorporated
 Gliders, Incorporated
 Aircraft Parts Company, Inc.
 Detroit Aircraft Export Corp.

true scholar-teachers. These men are real educators. But there are also obvious examples of the other type of scholar, and these, it is thought, should be reserved both for their own good, and for the good of the students, to teach courses listed as 'Primarily for Graduates.' Harvard teaching in general needs to be injected more largely with human values and philosophy. . . ."

Dr. Little rightly doubts that the intelligent college alumni enjoy their present status. The colleges seem to have slight interest in the welfare of alumni. After graduation, it is assumed that they are interested only in football games and reunions. Why should the college assume that a man ceases to be interested in his intellectual development after graduation? Why not adult extension courses?

"For more than a century," writes Dr. Little, "alumni have been ignored or criticized and feared. Their support has been asked on the grounds of emotional loyalty as though they had never matured beyond the student stage. This technique has made neither the alumni nor the institution happy. Is it not time to accept our college students and alumni as full partners in the constructive work of building the university?"

"MACHINE-MADE Man" by Silas Bent is a critical review of man's invention and use of the machine. Although the same ground has been covered by many others, Bent approaches the subject with an impartial mind and the book is a document that can be recommended to those who wonder where we are bound. Bent is sensitive to the weaknesses of our machine civilization, but he regards most of them as temporary.

"We may well suppose," he says, "that the next generation will master the evils which now so confuse us, and that we will live, after all, the richest and fullest life this planet has seen."

The conquests of man and the machine are considered under such titles as food, shelter, clothes, weapons, communication, money, entertainment, etc. The chapter on "Communication," in which newspapers are discussed, is reminiscent of "Ballyhoo," an earlier book by Bent.

From a survey that fills more than 300 pages, Bent concludes that the machine will finally be the servant and not the master of man.

"Machine-Made Man" by Silas Bent, Farrar and Rinehart, Inc., New York. \$3.50.



An interesting one reel film, "The Battle Song of the Cities," depicting some phases of the smoke evil, will be sent free of charge to clubs, churches, schools, or other organizations desiring instructive entertainment for their meetings. Please write our Philadelphia office.

ARE YOU A

SMOgger, OR AN

ANTI-SMOgger?

A SMOgger is a person who allows his chimney or his smokestack to add to the heavy pall of smoke that, mingling with the moisture in the air, creates a smog.

A smog is a blight on any city, a black menace to goods, to beauty, and to health. It may be a thick, soupy mixture of smoke and fog, or a higher cloud of much smoke and little moisture that canopies the sky.

No matter what type of smog it is, its presence means economic waste. For smoke today is a symbol of unburned fuel, of money going out of chimney or smokestack. Now is the time to begin the fight to eliminate smogs from your city next winter.

Large establishments can join the anti-smog movement by installing equipment that will give better combustion. Homes can be anti-smog most easily and economically by burning anthracite, nature's finest fuel.

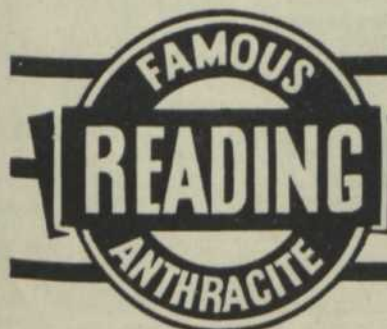
Of the anthracites, of course, you'll save the most by using Famous Reading Anthracite, that better Pennsylvania hard coal.

THE PHILADELPHIA AND READING
COAL AND IRON COMPANY

THAT

BETTER PENNSYLVANIA

HARD COAL



THE BUSINESS LEADERS OF TODAY *are the I. C. S. students of yesterday*



COL. EDWARD V. RICKENBACKER, and a giant Fokker 30-passenger air-liner

EVERY ONE has heard of "Eddie" Rickenbacker. Most of us think of him as a daredevil driver, a cool, skilful pilot, and a famous air-fighter. But how many realize that he is also an engineer of genius, and an executive of rare ability?

Today Colonel Rickenbacker is Vice-president Director of Sales for Fokker Aircraft Corporation in America; President of the Indianapolis Motor Speedway Corporation, and Chairman of the Contest Board of the American Automobile Association.

Eddie Rickenbacker was born in Columbus, Ohio, in 1890. He grew up in the street and on the lots. He led his own gang. He was all boy. But when he was 12 his father died and suddenly he had to be a man. He got himself a job in a glass-works, at \$4.80 a week.

At 16 Eddie Rickenbacker had worked in many places, including a brewery, a shoe factory and a railway machine shop. Then came the turn of fate that shaped his life. He got a job with a man who repaired cars and bicycles.

The "fleet" of cars on which young Eddie got his first experience comprised a one-cylinder Oldsmobile, a Waverly electric and a Locomobile "steamer." He ran them and tinkered with them. But he wanted to know more about their inside workings than any one in the shop could tell him. That was when he enrolled for the Automobile Course with the International Correspondence Schools.

For two years he did a double shift — all day on the repair work and half the night at his lessons. When he felt he had mastered enough theory, he moved to a new job in a car factory. His dogged persistence and his real knowledge of

automobiles won him promotion to the engineering department. At 18 he bore the title of "experimental engineer."

When he was 21 the lure of the racing game caught him, and for the next five years he made his reputation as a driver.

When the United States entered the World War, he was in the first contingent of the A. E. F. to cross. In seven months of flying he made history, bringing down a total of 26 hostile planes.

Captain Eddie Rickenbacker came home a national hero, but it did not spoil him. Following the war he was chosen to head a motor company that bore his name. Later he became Vice-president in charge of sales for the Cadillac-LaSalle division of General Motors. And when that organization bought a dominating interest in Fokker Aircraft

Corporation, and needed an executive to "take the controls" in developing America's already quickened air-sense, Colonel Rickenbacker was selected.

Because of natural gifts, reinforced by the habit of study developed in his I. C. S. days, this boy whose start was so beset with difficulty has become a man outstanding in any field he enters.

Such a career is a ringing challenge to every ambitious young man in America. No matter what a man's previous education may be, no matter what his aims or his financial standing, the International Correspondence Schools can give him the training he needs to achieve success. Tonight, in thousands of homes, young men will be at work on their I. C. S. lessons under the study lamp. *They are the business leaders of the future.*

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Without cost or obligation, please send me a copy of your booklet, "Who Wins and Why," and full particulars about the subject before which I have marked X:

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Occupation.....
If you reside in Canada, send this coupon to the International Correspondence Schools, Ltd., Montreal

How High Should a Building Be?

(Continued from page 49)

sociated with Mr. Clark were representatives of all the trades, arts and materials involved in skyscraper construction.

The committee worked two years on the problem. The value of their conclusions may be best judged by the fact that, coincident with their findings, plans for all the skyscrapers of today's proportions were put on the boards.

It is incorrect to say that skyscrapers are built purely for advertising purposes and that few of them pay on their investment. Of course were that true we would see fewer tall buildings. As a matter of fact by constructing tall buildings, by multiplying floor space we can make an expensive city lot pay for itself. The day was when improved real estate was an individualistic matter. Then a man might have built himself a home or an office to fit his own particular fancy or vanity. It was, under the circumstances, difficult to say whether or not the building he constructed actually paid on the investment.

Buildings must pay

BUT a modern city office building is not constructed to

meet individual fancy. No one business can hope to occupy the whole of a great urban skyscraper; no one individual would think for a moment of saddling himself with the sole financial responsibility of such a structure. In fact the erection of an outstanding skyscraper represents the joint investment of a number of corporations and a host of individuals. Therefore, it becomes necessary to build so that the structure will pay dividends.

Necessity has made us careful of our building investments. We are finding means of analyzing our possibilities in

advance of erection. We begin by making surveys of the probable rental income, the cost of maintenance and management, and the cost of building. With all these factors balanced one against the other we can arrive at some fair approximation of the probable income of a new building.

The maximum economic height is, of course, much below what might be called the maximum physical or engineering height. For all practical purposes, this physical or engineering limitation has been removed by the flexibility of structural steel, terra cotta



A row of skyscrapers in mid town New York. Left to right, 10 East 40th Street, Lefcourt Colonial, Lincoln, Chanin, Chrysler and Daily News

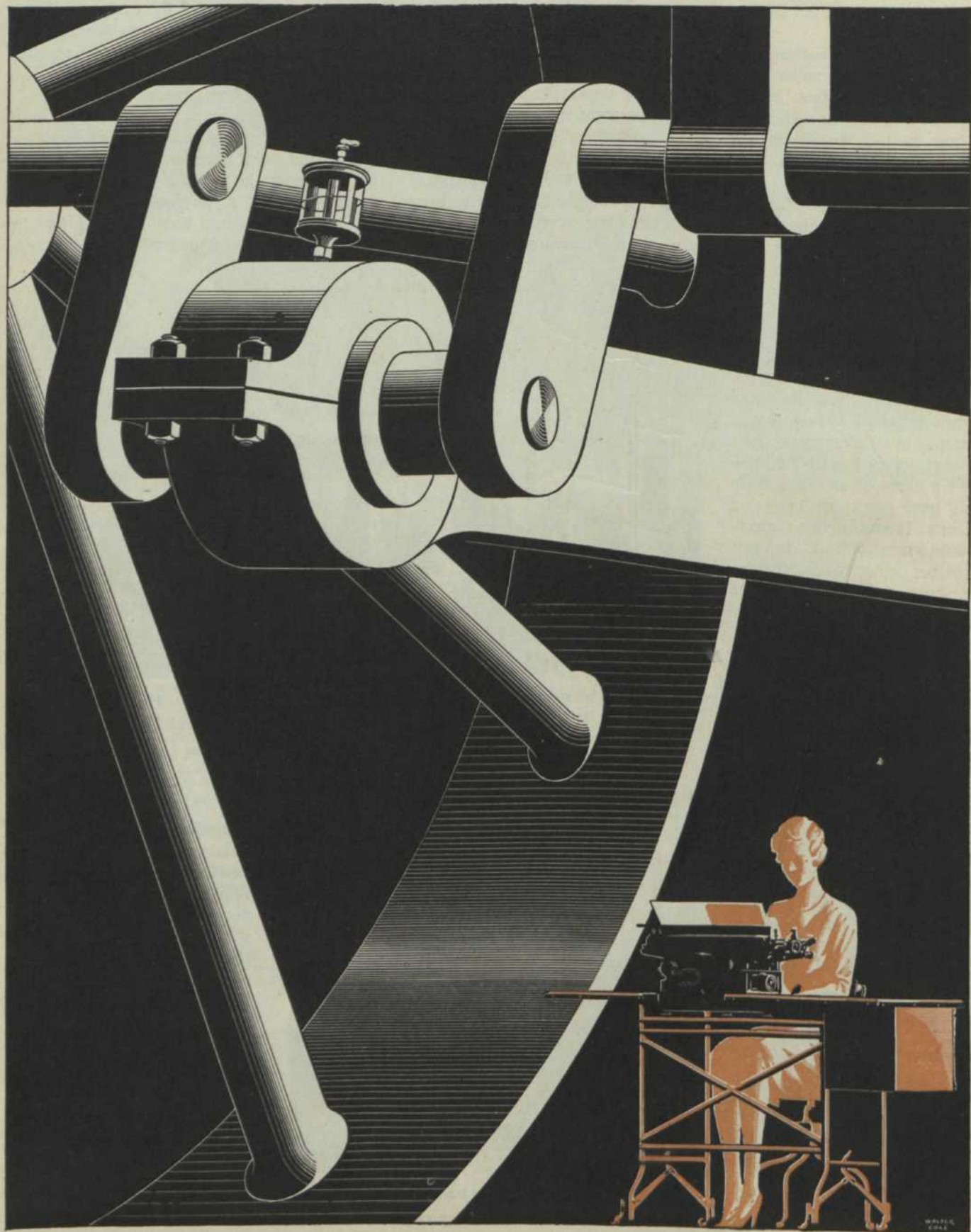


The old Fifth Avenue Hotel in New York was one of the first buildings in this country to have an elevator

and other modern building materials and by the astounding developments in elevator and foundation engineering. Competent students estimate that if it were not for economic factors it would be possible to erect, and to operate successfully, an office building approximately 2,000 feet high.

The adequate elevator servicing of such a structure would require an elevator speed beyond the present limits as well as new safety devices and ingenious traffic arrangements (such for instance, as double-deck cabs and new combinations of express and local cars)

Why Fit Your Business



When phoning or writing a REMINGTON RAND

to an Accounting Machine

when you can get an Accounting Machine

fitted to your Business ?

EVERY BUSINESS man knows the old formula for buying an accounting machine. First you listened to salesmen . . . and waded through a welter of claims . . . and selected a machine you thought would serve. But then the real work began. You had to hook it up with your other office equipment . . . or change this and alter that to fit.

It was a perplexing and wasteful process . . . now completely out-of-date, thanks to Remington Rand. Remington Rand answered the question of the right machine in the right way. Not by trying to harness your business to any one make of accounting equipment. But by selecting from all types of accounting machinery the equipment that is *fitted to your business*.

Only Remington Rand can do this. For only Remington Rand has mobilized in one business

service the leading makers of each class of accounting machinery . . . offering 72 separate machines to choose from. Today you can call in a Remington Rand Accounting Machine man, tell him the result you want, and leave the means of achieving that result entirely in his hands.

For, having no one machine to sell, his advice is completely *impartial*. And, having all types to choose from, he can select equipment that is *custom-tailored* to your business.

Remington Rand is accounting machinery's headquarters. When you deal with headquarters you save . . . in time . . . uncertainty . . . and expensive mistakes. Ask about the new Remington Rand Budget Buying Plan. Remington Rand Business Service, Inc. Executive Offices, Buffalo, N. Y. . . . Sales offices in all leading cities.

Remington Rand

ACCOUNTING MACHINES

DALTON . . . REMINGTON . . . POWERS

Buy it or not— you pay for insurance

Buildings; machinery, fixtures, furniture . . . everything has a value. If destroyed, most of it, at least, must be replaced.

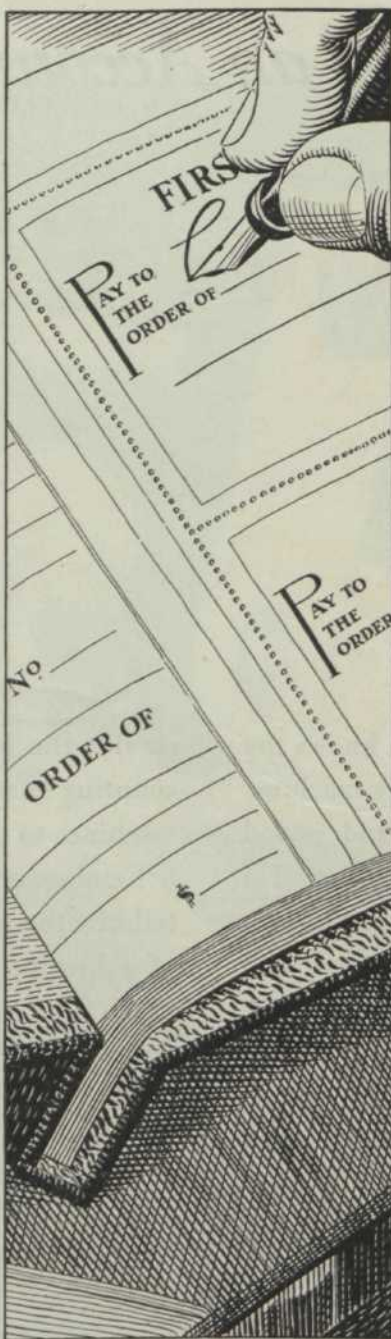
Every property owner may meet such a loss. And, in effect, he pays for insurance whether he buys it or not. The difference lies in the cost.

You may gamble with fate and take the chance of facing an enormous replacement expenditure at a most inconvenient time. Or you may plan to set up a reserve fund to cover such an emergency.

In either case you alone pay the equivalent of the face value of an adequate policy. In one lump sum, you pay what might have been covered by a small yearly premium.

Property insurance, on the other hand, distributes the burden of loss among many people. Therefore it is low in cost and immediate in action. It is a business ally that relieves you of all worry and detail; and it prevents interference with any established scheme of surplus or reserve.

Such questions of how much insurance and what type of policies best cover buildings and equipment—must necessarily be determined by your own business. An Agricultural Agent near you will be glad to discuss the broad subject of insurance—to consult with you concerning adequate coverage for your property.



You can obtain
Agricultural Policies
for all coverages such as:

FIRE • PARCEL POST
AUTOMOBILE • MARINE
USE AND OCCUPANCY
RENT AND LEASEHOLD
WINDSTORM • FLOATERS
SPRINKLER LEAKAGE
REGISTERED MAIL
TRANSIT • EARTHQUAKE
TOURISTS' BAGGAGE
EXPLOSION AND RIOT
AIRCRAFT DAMAGE



which have not yet been tested by actual public trial but which, in the basis of prolonged experiment, the foremost elevator engineers believe to be entirely practicable.

It is entirely possible and feasible, however, to build to an economic height, which is the height that will return the greatest income from the financial investment. Assuming that the land is worth \$200 a square foot, which is frequently the case in American urban centers, investigation proves that a building 63 stories high reaches the point of maximum economic returns. From a detailed investigation of a 30-story building costing \$22,193,000, including land, the net return was found to be 4.22 per cent. In other words the higher land value makes such a low building unprofitable. The return on a 63-story building, on the same site, was found to be 10.25 per cent. Where the land value is \$400 a square foot a building 75 stories high was found to be most economical. These conclusions are based on the supposition that the construction of the building is to be restricted by the zoning laws applying in New York City.

Two-block areas may come

HEIGHT, however, is not the sole factor to be considered. We have the problem of area which is just as important. One of the most serious charges brought against the skyscraper is the fact that it crowds out light and air. There was some justification for the charge at first. The so-called "set-back" law in New York, however, rectified much of this. Today, after a certain height has been reached, the building can continue higher only over 25 per cent of the ground area. To obtain sufficient room for this "tower," it is necessary to begin with a much larger ground area. Therefore we find that the most economical structures are made to cover a full city block. The day may come when they will be made to cover two city blocks, the intervening street being "bridged."

It is not always possible, however, to obtain title to all the land within the required area. Many schemes have been used to overcome that restriction. In some instances, the air rights have been purchased from those neighbors who have immediate need of a building of but limited height. By cantilevering the larger structure over the neighboring small building the effect of much larger ground area can be obtained. In the future, however, I anticipate there will be a tendency toward merging the land holdings of a group of owners to make possible the erection of the larger sky-

Agricultural
Insurance Company,
of Watertown, N.Y.



Combined with its great resistance to rust, this ability to stand up under hard knocks gives Reading 5-Point a life at least twice as long as that of ordinary pipe! Remember that Genuine Puddled Wrought Iron Pipe is the time-tested pipe—the Reading name and indented spiral assure proved performance!

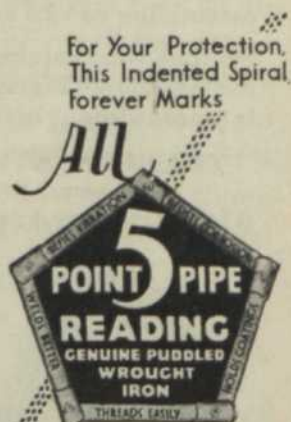
Bumps, jars and rough handling mean little in the life of Reading 5-Point Pipe—the original, Genuine Puddled Wrought Iron Pipe. Thousands of installations have proved that its fibrous, rope-like structure means immunity to shock and strain.

BUILDINGS in which Reading 5-Point Pipe is used stay new! Costly repairs and replacements are eliminated. The problem of rusted-out pipe is done away with! Reading 5-Point Pipe, with its reputation for outlasting the building in which it is installed, costs only a little more initially than the cheapest pipe!

READING IRON COMPANY, Reading, Pennsylvania



Use only Reading 5-Point Nipples with Reading 5-Point Pipe—you'll know them by the indented spiral band



Science and Invention Have Never Found a Satisfactory Substitute for Genuine Puddled Wrought Iron



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**Cuts Needless Labor
From Manufacturing Costs**

HERE, in one of the world's foremost, diversified pressed steel plants, presses—both gigantic and small—are turning out products in minutes that formerly took hours of expensive labor to produce.

Let Truscon Pressed Steel Redesign Engineers do for you what they have for others. Let them study your catalogues and parts list with a view of redesigning your products in pressed steel. They may find that impressive savings in labor, weight, material costs, machining and assembling can be achieved.

Send us your catalogues and parts list for examination. This unique Truscon Service is yours without obligation.

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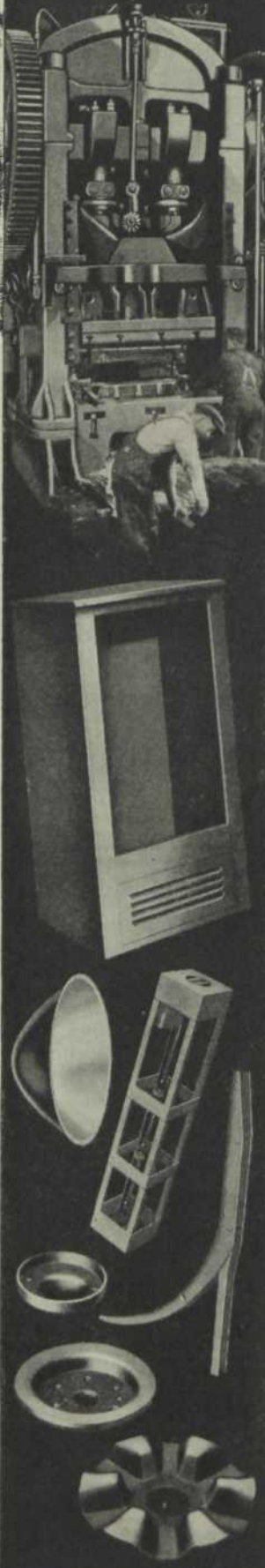
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Truscon facilities are sufficiently diversified to handle any Pressed Steel Problem



scrapers. This will certainly be worked out in a satisfactory manner.

The economic possibilities of tall buildings are not difficult to estimate. As a matter of fact experience is so ripe that the probabilities of profits from a new building can be estimated within a few dollars. Building management is becoming an exact science, and the subject is considered sufficiently important to be taught in colleges and universities. From the size and the location of a structure it is comparatively easy to prophesy the rental income.

By permitting this fuller realization of investment possibilities we are also experiencing in the United States a more flexible law of obsolescence.

Trough follows crest

I REFER to regional improvements. We have discovered from a study of real-estate values along Michigan Avenue in Chicago that values move along the highway of improvement. These values, furthermore, move in the form of a wave, its crest extending out along the course of the improvements, the trough pulling down values in the rear.

Prof. H. D. Simpson of Northwestern University studied the Michigan Avenue development. He concluded:

"1. It is doubtful whether large public improvements in the form of streets, highways, and transportation facilities add anything to the aggregate of land values.

"2. Such improvements will frequently be found to have definitely abstracted land values from other locations, an effect which has largely been concealed by the general appreciation of urban land values during the past two or three decades."

This economic approach to the skyscraper is probably affording its own solution. Professor Simpson has presented an interesting clue. If it is true, as would seem to be indicated, that the land values back in the Loop District of Chicago are inclined to decline as traffic ways are provided radiating out of the center, then probably a method is found for checking the growing height of buildings. When land values begin to "pass by" certain localities, the urge to build higher or larger becomes less keen. This constant shifting in values makes the building problem that much more complex, and affords another reason for not desiring to build for permanence, or at least not too great permanence. The skyscraper method of building tends to insure real estate owners against "frozen" investments.



Big Business Buys Mutual Protection

IT is a problem to many buyers of insurance to know what kind of insurance to buy.

A convincing answer is the example of outstanding industrial corporations of the country who have been mutual insurance policyholders for many years.

It is significant that these seasoned buyers of insurance turn to mutual companies for protection and for the considerable saving in cost they offer to any policyholder—corporation or individual.

The savings which mutual fire insurance companies are able to make for their policyholders come from economy and conservatism in management—from

intensive and intelligent fire prevention effort.

These savings, under the mutual plan, are returned to policyholders. There are no stockholders in a mutual corporation.

Mutual fire insurance offers property owners a sound, stable and unfailing protection for their investment—at the lowest cost.

Any property owner will find interest and value in a booklet on the aims and accomplishments of mutual fire companies. It will be sent on request. There will be no personal or mail follow-up. Address Mutual Fire Insurance, Room 2206-G, 180 N. Michigan Avenue, Chicago, Illinois.

An Unparalleled Record

75 leading, legal reserve companies under State supervision constitute the Federation of Mutual Fire Insurance Companies. The oldest Federation company was founded in 1752. Five others are more than 100 years old.

Of the remaining companies—

- 9 are between 75 and 100 years old
- 10 are between 50 and 75 years old
- 30 are between 25 and 50 years old
- 20 are between 10 and 25 years old

The Federation companies are protecting property to the extent of six billion dollars—have assets in excess of ninety million dollars—have returned to policyholders savings of more than one hundred and thirty millions of dollars.

Mutual Fire Insurance

FEDERATION OF MUTUAL FIRE
INSURANCE COMPANIES



Pilgrims to Success Ride Hobbies

(Continued from page 43)

earthly stay into a continual exploring adventure in refreshing fields of knowledge will immure themselves in a tight little cell with a single interest.

"I could not be content with life," the famous historian once remarked, "unless I could have a shot at a good many things."

We may ask if a business career is not a continual adventure and entertaining enough.

The philosophers retort:

"Then why do we hear so often of the Tired Business Man? What makes him tired? Is it only his burden of toil and care? Isn't it also the sameness of the daily round that he imposes on himself?"

"The blinders that he wears so that he will see only straight ahead—do they have nothing to do with the case?"

only, but all over the place. From them John inherits all the instincts that enabled them to survive long enough to hand life on down the line to him. Civilization has changed him only outwardly. Underneath his urbane veneer he still has those primordial urges to be constantly doing. When he does nothing about them, he is bottling up a large part of himself, to his hurt. Biologically he is not right.

Scientists of a second group dispute the instinct theory and give another explanation of human behavior—something about reflex response to environmental stimuli. Far be it from this article to get mixed up in that controversy! Both sides say, at least, that the man who lets his life become warped and lopsided is heading for trouble; for chronic discontent, if nothing worse. And they agree that "hobbies are the safety valves of busy minds."

If our work calls forth most of our many capabilities, we are in luck. Dr. A. A. Brill, the psychoanalyst, cites as a happy worker the old-time cobbler who performed every process in the making of a pair of shoes, and whose pride in the finished product was no small part of his compensation. The division of labor has de-



PUBLISHERS PHOTO SERVICE

The Government has named the trail to Rainbow Natural Bridge "The Bernheimer Trail" for a New York man



Charles L. Bernheimer finds recreation in the deserts of the West

That may sound unsympathetic, but the critics mean it kindly.

These scientists delve deep in human nature and dig up some odd things. One group informs us that John Jones is not John Jones alone. He is John plus all his ancestors back to Adam, plus a circus parade of more or less hairy brutes reaching still farther back to the protozoan cell that had the enterprise to found the animal kingdom.

All these go to make up John Jones. He is the lineal descendant of millions of creatures, all of them ceaselessly active in their day in the struggle for self-preservation—and active not in one direction



KEYSTONE VIEW

Col. E. H. R. Green turns to electrical experiment for recreation

prived the cobbler's grandson of pride in accomplishment.

The grandson runs a machine. He satisfies the need of his body for food, but not the need of his spirit for pride in his strength or his skill. His only share in producing fine footwear is to stamp brass eyes into the leather. Unless he is Pollyanna's twin brother he gets no pleasure from it. And is the president of the shoe company much better off in craftsman complacency than the man at the machine?

There are other needs, we learn, that an organism must

DAYLIGHT— TIME TO DREAM

IT'S the dreamer who leads big business.

Here's an idea to inspire executives to dream of cutting costs.

Let's assume that your business produces a product that requires a finish for protection or decoration. Time is consumed while that finish dries. The product occupies space while drying. Time and space cost money. Nitrocellulose lacquer dries more quickly than other finishing materials—reduces the time and space required for finishing.

Nitrocellulose lacquer imparts a tough film, highly resistant to chipping or scratching. It comes in a wide variety of beautiful shades, or in a clear form that is invisible when applied. It is water-proof, and can be cleaned easily with soap and water. Solutions of nitrocellulose make excellent adhesives, and stiffeners for fabrics. They are easily applied to wood, metal, glass, pottery, plaster, textiles, floor and wall coverings, and to many other surfaces.

To stimulate further your dream of increased profits we have prepared a booklet "The Story Of Modern Lacquer," which we will gladly send to you. Nitrocellulose lacquers are sold by paint, varnish, and lacquer manufacturers, who maintain research departments which will cooperate to make your dream come true. Write for our booklet and consult the manufacturer who supplies your finishing materials.

The Hercules Powder Company does not manufacture lacquer, celluloid, or other pyroxylin products. We produce nitrocellulose from which these materials are made.



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HERCULES POWDER COMPANY
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NITROCELLULOSE • COTTON CELLULOSE • NAVAL STORES • EXPLOSIVES

Weight comes down— profits go up

Lightening your products makes them less costly to move; whether they are collapsible tubes, machine parts or railway cars; whether they move in a 5 inch arc, or travel a thousand miles.

The use of the light, strong Alloys of Alcoa Aluminum eliminates needless weight—converts into profit money that otherwise must be spent for operating, shipping or labor charges. Because buyers want products strong, but light, manufacturers who shave dead-weight by a generous use of Alcoa Aluminum find their products in greater demand—their profits increased.

Uniting strength with extreme light weight, attractive appearance, greater heat conductivity and non-corrodible features, the light, strong Alloys of Alcoa Aluminum have given industry a new material to work with. These Alloys are now being used in hundreds of different ways, effecting as many economies.

Research in Aluminum Company of America Laboratories is constantly developing new uses for the light, strong Alloys of Alcoa Aluminum. Our nearest office will gladly supply you with information on the application of Alcoa Aluminum to your present or anticipated needs.

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ALCOA ALUMINUM



gratify to keep in contentment and health. It must have physical conflict, if only with a brother organism at golf. It needs to knock around, to take chances, to meet emergencies, to triumph, to be humbled. Danger and thrill and fear are good for it. Even an automobile smashup, says Dr. Brill, can be a beneficial experience. Most of all, a creature must keep growing, or it soon ceases to live.

A hobby today is a sign not of queer-ness but of balance, says Dr. Harry A. Overstreet of City College, New York. Queerness occurs among people whose lives are confined in one narrow groove, who need to fix their attention on something outside themselves. Most of us are too self-centred; most of us are better for new and vitalizing contacts.

Charles L. Bernheimer, a wholesale dry goods merchant of New York City, lays the shortest trail to the Rainbow National Bridge and is an authority on the desert country in northern Arizona and southern Utah; Dr. John A. Harriss, New York real estate man and financier, has become an authority on traffic control in his spare time; J. E. Barnard, a London hatter, studies the microscope as a hobby.

Henry Ford has spent thousands on his museum of early Americana; Otto

H. Kahn, the banker, gives generously of his time to the opera and high-class theatrical productions; Charles Schwab is a farmer in his spare time.

James A. Farrell, president of the United States Steel Corporation, operates a sailing ship and William Butterworth, president of the Chamber of Commerce of the United States, spends his spare time aboard a house boat.

Col. E. H. R. Green, although trained in finance as the son of Mrs. Hettie Green should be, makes electrical experiment and invention one of his chief side-line interests. Mortimer J. Fox was vice president of the Manufacturers Trust Company until he gave up his position to spend all his time painting.

To be effective, a hobby should be a vigorous one. It should be able to unseat its rider at times and test all his resourcefulness.

There is good medicine in doing a homely, elemental task. Gladstone knew it when he went into the woods with an axe. Mr. Average Citizen knows it also when he tunes up his car, or mows his lawn.

The "Do It Now" motto might well be revised to read:

"Do It Yourself."

It ought to be changed, anyway, if it causes us to hurry through life without knowing the fun of living.

Tall Corn Has Unsung Rivals In Iowa

(Continued from page 24)

F. L. Schoel, its head, has begun production on a hamburger press which will go into roadside stands all over the country.

If you're touring, you can patronize the hamburger press and then go on to Davenport where the Mac-Roh factory puts out the bread-slicers which made sliced bread in packages possible.

Davenport also makes cheese and crackers in the same plant and—no connection, of course—another concern there makes fox and monkey food.

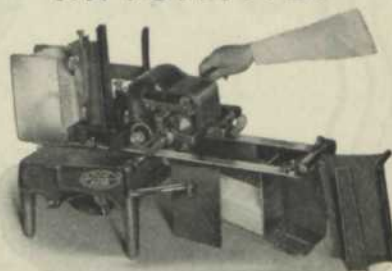
But the city doesn't specialize in food or machines to prepare it. French & Hecht, Inc., make wheels. Recently they found a demand for rubber-tired wheels for mowing machines, hay balers, shredders and other machinery that is often moved along paved highways. The Davenport Locomotive and Manufacturing Company, a neighbor, is now sending occasional repairs to China, Australia, South America and Africa for locomotives it sold there 30 years ago. And

frequently it accompanies the repairs with a locomotive or two.

Up the Mississippi River a way from Davenport is Clinton where Lubbers and Bell make fly-swatters. In Des Moines, F. W. Fitch & Company make hair tonic and toilet articles but in their perfumes they use no flowers from their neighbor, Hulsizer, Inc. Hulsizer's flowers are made of glass. Leaping across the state to Council Bluffs one finds the Twin City Limb Company, founded and built to success by a man and his wife who had only one natural leg for the two of them. Boone makes auto skid chains and Webster City vacuum jugs.

Smith Brothers make playing cards at Bonaparte and the state's radio stations are on the air almost continuously. More people visit Stations KFNF and KMA at Shenandoah each year than attend the Iowa State Fair. The stations are run by the Field and May seed and nursery companies. Listeners who like the programs can write their fan mail with fountain pens and pencils made by

INVESTIGATE This Marvelous New DOUBLE-DUTY MACHINE!



For speedily and easily producing and directing Notices, Announcements, Bulletins and quick-action Advertisements to customers, prospects, dealers, salesmen, agents, membership-lists, etc.

A Combination POST-CARD PRINTER and ADDRESSER

It's AUTOMATIC—yet sells at a popular price. Unlike anything ever before offered. You have seen machines for printing Post-Card messages and other machines for addressing them—but never a SINGLE machine for doing BOTH JOBS!

An Address
Typewritten Here Will
Reproduce Itself Forever

2 in 1

All-fibre Stencils Can be handwritten or cut on a typewriter. Above is the Address Stencil. Below is the Message Stencil. Both used in the one machine.

There is space enough here for a notice, announcement, bulletin or advertisement to fill the entire message side of a regular Government Post Card — or any other form of similar size.

Stencilling operation is a quick, easy job. Anyone can do it. A single machine then does both the printing and addressing of your cards — AUTOMATICALLY.

An unlimited number of prints can be made from one stencil — at the rate of 125 per minute!

Machine can also be used for all kinds of envelope, circular, tag, label and wrapper addressing, bill and statement heading, etc.

**The ELLIOTT
ADDRESSING MACHINE CO.**

144 Albany St., Cambridge, Mass.

Or look up the address of our nearest Branch Office in your local Classified Telephone Directory

CLIP this COUPON

Pin it to your business letterhead, mail to the address above (or 980 St. Antoine St., Montreal, if you are in Canada) and get complete information together with

FREE BOOKS on the subject of Direct-Mail Advertising



INSPIRATION —in a POP-CORN STAND

YOU MIGHT not think that the same engineers who helped perfect wireless telegraphy would trouble themselves over so commonplace a thing as a corn popper. Yet we are no prouder of those Robbins & Myers generators which first made Marconi's dream a reality than we are of the new R & M Frenchflake All-Electric "Wet" Popper. Swiftly, automatically, at the touch of a single button, this amazing machine feeds, pops, stirs, seasons and sifts out unpopped kernels—converting raw corn into tid-bits of ravishing flavor as magically as an Aladdin's lamp. And like that talisman, it is bringing fortune to its purchasers—in some instances, so fabulous that a bank president might well be envious. Never before has corn been popped so economically, so quickly, so deliciously on a commercial scale. The Frenchflake does everything but make change—and it often requires two men and a boy to do that!

If you have a problem in electrical-motored machinery come to Robbins & Myers. We offer you the facilities of a completely modern plant and the experience of 32 years' precision manufacture in designing, building and applying electric motors, generators, fans and electrical appliances

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FANS, MOTORS, HAND AND ELECTRIC HOISTS AND CRANES

the W. A. Sheaffer Pen Company of Fort Madison.

Even the small towns are going in for industry. Brighton, population 940, makes lightning rods and ladders; Elkhorn, 550, makes drawbars; Farmington, 1,200, has two pickle factories; onyx-cutting thrives at Dyersville, 2,000; Gladbrook, 100, makes blast meters for foundries, and mustard; Graettinger, 800, makes oil cans and wagons; Griswold, 1,200, makes auto headlights, oil burners and soap; Guttenburg, 1,700, makes tools and patterns and has two soda water factories; Harlan makes weaving looms and show cases; Harvey, 500, has three washed-sand outfits and an excelsior factory; Hudson, 500, makes rat poison.

Dump carts to glass cutters

LADORA, 330, makes dump carts; Lorimor, 600, blue-grass headers; Pella, 400, has three bologna factories; Wheatland, 550, makes sparrow traps; Parkersburg, 1,200, makes doll furniture; Rowan, 300, makes furniture polish; Marathon, 600, makes a self-cleaning hoe; Newhall, 350, manufactures a lawn broom; Wapello, 1,500, makes glass-cutters. Henderson, 250, has a one-man truck body factory and he won't move it. Says he likes the labor supply in Henderson. And creameries—there are from one to eight in 94 of Iowa's 99 counties.

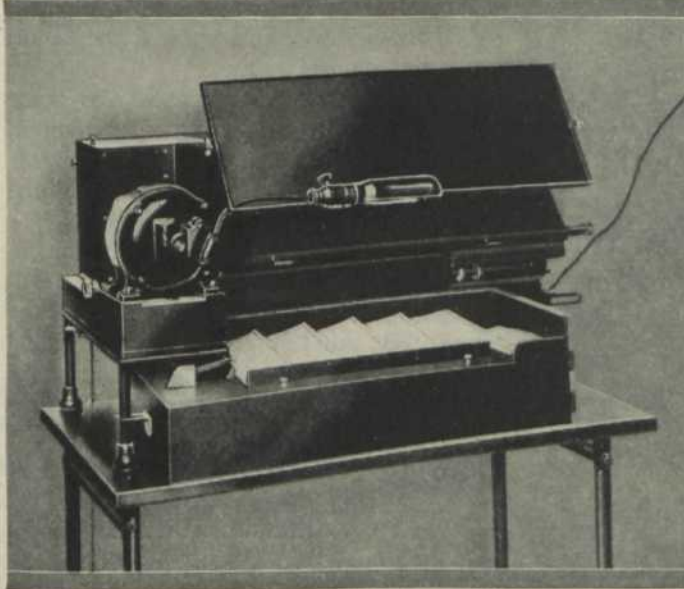
Even in the truly agricultural pursuits, business is taking hold. The Collins Farms Company, a corporation, operated 12,000 acres of land in Linn and neighboring counties last year. "Industrial and factory methods" are used. A \$100,000 corporation has been formed at Red Oak to operate farms and the Equitable Insurance Company, headquarters at Des Moines, has 30 farms which are not for sale.

Speaking of insurance, Des Moines has 44 home companies and the annual insurance business done in that town is more than 100 million.

Coming back to agriculture and its auxiliary occupations, Charles City has the largest fir tree nursery west of the Mississippi; Wellman is one of the bigger turkey centers of the nation; Swift & Company raise 75,000 ducks a year at Clinton; Fort Dodge shipped out more than a million baby chicks last year and the Appleman kennels at Atlantic send dogs to far distant points.

As an interesting sidelight, Sam Kennedy, Jr., Clear Lake farmer, made \$25,000 one year. But he was farming onions, not corn.

TODD CHECK SIGNER PROVES ITSELF "OUTSTANDINGLY SUPERIOR" IN THE SERVICE OF THE ILLINOIS CENTRAL



AT RIGHT: The Todd Check Signer which serves the Illinois Central.
It handles checks singly or in sheets of 2, 3, 4, 5 or 6.

ABOVE: Rear view of Signer, showing stacking device which arranges checks in numerical order.



THE letter reprinted below, explaining the experience of one user of the Todd Check Signer, shows also why hundreds of notable organizations have adopted this most modern business aid.

Illinois Central System, Chicago, Ill.

October 23, 1929

The Todd Sales Company, Chicago, Illinois
Gentlemen:

The Illinois Central System, during the year 1928, expended in excess of \$90,000,000 in payment of salaries and wages.

About 130,000 pay drafts are issued each month to cover this expenditure. As the pay days are fixed each month to comply with the laws of the various states, there must be no delay or interruption in the issuance and delivery of these drafts. The period during which they must be prepared is limited. Therefore, the chief requisite is speed, consistent, of course, with accuracy and safety.

The Todd Check Signer has been in use in this department for two years. It has proved itself of great value and is indeed a very essential part of our equipment. It not only affords a proper degree of safety, but a very high degree of efficiency and has been the means of effecting a saving in time and labor. It will countersign and cut apart approximately 6000 checks per hour. This we consider a very high degree of operating efficiency, and so far in excess of the number countersigned by any previous method, as to be outstandingly superior.

Yours very truly,

(signed) OTTO F. NAU, Local Treasurer

Besides speeding up the issue of checks in quantities, the Todd Check Signer frees important executives from the arduous, time-wasting task of hand-signing. It may be operated by any employee.

Two Yale locks and a built-in meter, which records every check passing through, simplify the matter of supervision. And the intricate signature affixed is more difficult to counterfeit than any other ever devised.

The Todd office in your city will gladly arrange a demonstration at your convenience. Or you may return the coupon below for more detailed information. The Todd Company. (Established 1899.) *Protectograph Division*. Rochester, N. Y. *Sole makers of the Protectograph, Super-Safety Checks and Todd Greenbac Checks.*

THE TODD COMPANY, *Protectograph Division*
1130 University Avenue, Rochester, N. Y.

8-30

Please send me complete information about the Todd Check Signer.

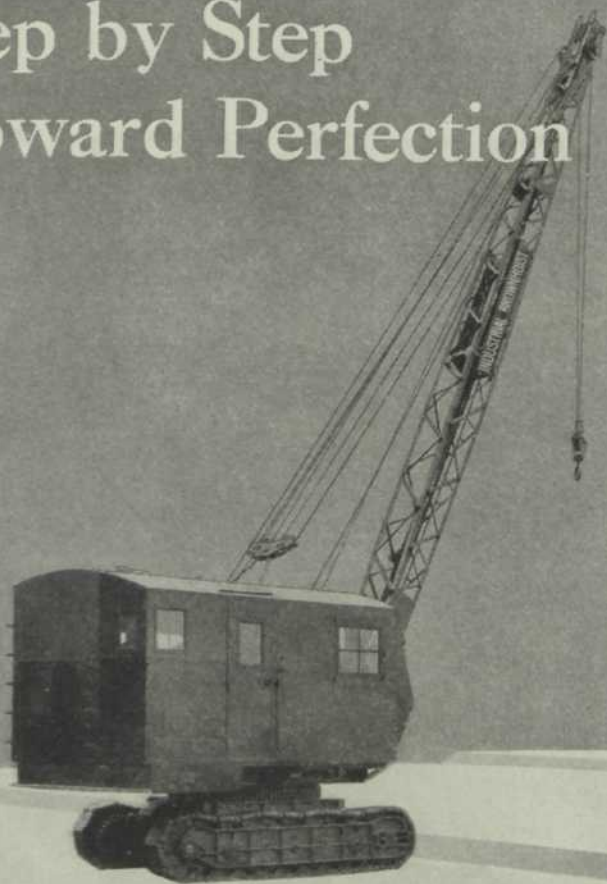
Name _____

Address _____

Business _____

TODD SYSTEM OF CHECK PROTECTION

Step by Step Toward Perfection



The first locomotive cranes manufactured in this country were built by Industrial Brownhoist nearly a half century ago. That these early cranes were good ones is proved by the fact that many of them worked steadily for from twenty to thirty years.

Having a correct design from the very beginning, Industrial Brownhoist has always maintained a large engineering department whose duty it is to know the handling needs of industry and how to meet them. Step by step, a complete line of cranes and shovels has been developed, not in an experimental way, but based on actual knowledge gained from thousands of these machines in steady service.

Today over 16,000 Industrial Brownhoists have been built, far more than any other make. What more can you ask for in a crane or shovel than a machine backed by such a record?

Industrial Brownhoist Corporation, General Offices, Cleveland, Ohio

District Offices: New York, Philadelphia, Pittsburgh, Detroit, Chicago, San Francisco, New Orleans
Plants: Brownhoist Division, Cleveland, Ohio; Industrial Division, Bay City, Michigan;
Elvira Foundry Division, Elyria, Ohio

INDUSTRIAL BROWNHOIST

Borrowing on Your Life Insurance

(Continued from page 27)

there is evidence to show that this is not the wisest scheme."

One of the great companies, he notes, has been able to pay 98 per cent of its death claims within 24 hours of the receipt of proof. He does not believe that monies thus received are dissipated through unwise investment to the extent often claimed.

One company investigated 739 cases in which the death payment averaged about \$13,000, and found that the losses were little more than five per cent.

It will be admitted, however, that in many instances the lump-sum plan throws an unwise burden on the heirs.

"The life-insurance program which provides specific policies to create funds for specific purposes is not likely to be so affected by policy loans as are the lump-sum policies."

A consultation on insurance

IN A case in mind the policy owner felt that he must shorten sail and called Mr. Borden into consultation.

"If he had been insured for a lump sum there is no doubt that he would have cancelled some of his policies."

When he was confronted by the fact that his life-insurance estate had been subdivided and that each subdivision had its task, he changed his mind. One policy was to be devoted to the payment of the mortgage on the house, another to make sure of the family income.

In the end he took more insurance instead of letting go of any.

At lunch today I sat with an editor and a correspondent who had borrowed on their policies.

In each case money had been made by the operation. One had saved an investment in stocks which had been threatened. The other had bought stocks at a low price.

"Have either of you paid off your loans?"

Well, no. It had not seemed necessary. Of course, if either died, his widow would lose the amount of the loan. But neither had the faintest intention of dying. One of these days, they said, they would pay off the loans. At present no one was worrying about them:

"No one?"

Well—two wives.

IN THE CENTER OF THE PACIFIC COAST

SAN FRANCISCO OFFERS

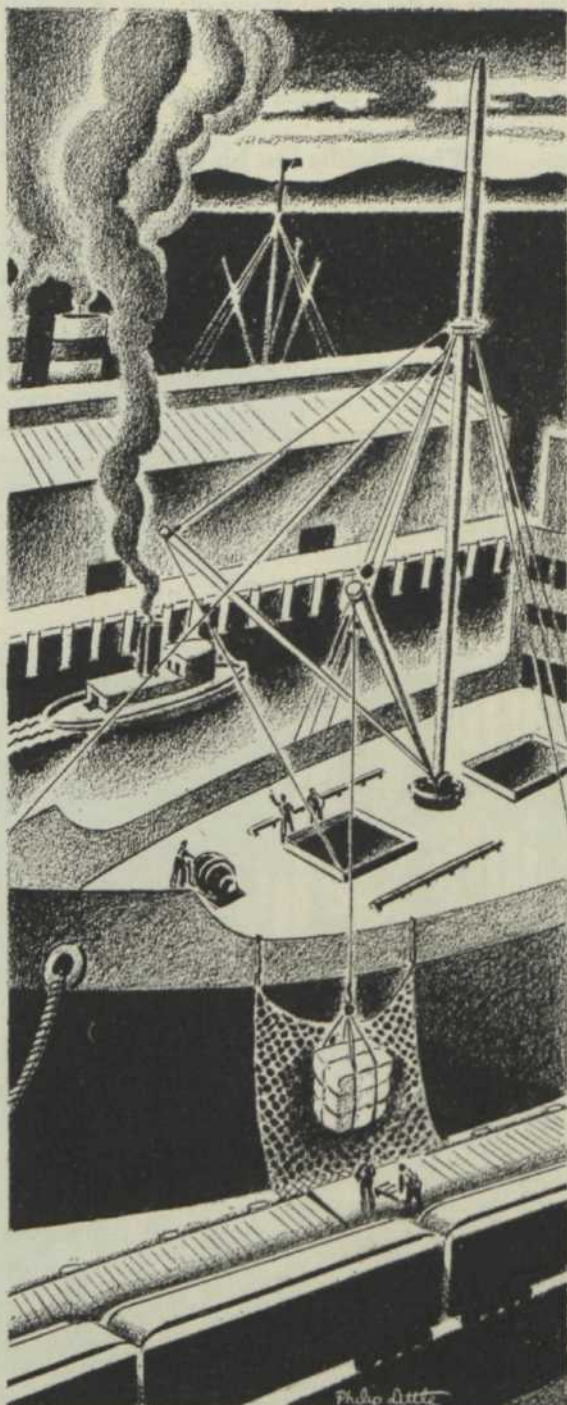
TREMENDOUS ECONOMIES IN

PRODUCTION AND DISTRIBUTION

ECONOMY that begins with cheap land for the industrial site and continues through all the processes of production and distribution...that is San Francisco's offer to the manufacturer. And that is why San Francisco is today headquarters for the leading manufacturing interests on the Pacific Coast.

If more than one western city proclaims efficient labor aplenty, cheap power and fuel and abundant raw materials within easy reach, San Francisco alone combines them all with the supreme advantage of excellent transportation facilities. Three transcontinental railroads, a vast network of highways and the vessels of 146 steamship lines facilitate quicker and cheaper distribution from San Francisco than from any other city to 11,000,000 people who live west of the Rocky Mountains.

San Francisco bay, second only to New York in value of waterborne tonnage, is the traditional gateway to the growing markets of the Pacific. 900,000,000 people in the lands that the ocean borders



virtually look at America through the Golden Gate.

The climate that has helped to bring 1,600,000 people within a radius of an hour's ride from downtown San Francisco aids economy too. No oppressive summer heat slows production; winter is only a borrowed name. Economical natural gas is another tremendous advantage this city offers and in your own thorough investigation you will find many another that plays a part holding for San Francisco the industrial, as well as the financial and commercial, leadership of the West.

San Francisco's commanding position is built upon cold hard facts that any man may know!

Californians Inc., will be glad to send you the book: "Why Manufacturers Choose San Francisco." Address Dept. 1308, 703 Market Street, San Francisco. There is no obligation.

SAN FRANCISCO

IN CALIFORNIA "WHERE LIFE IS BETTER"

When writing to CALIFORNIANS INC. please mention Nation's Business

An Emperor of Finance

(Continued from page 17)

afterward increased to more than \$38,000. It is hardly surprising that when the latter, as chairman of the Finance Committee of the Senate, conducted an investigation of the institution on charges of misuse of funds and usury nothing seriously wrong was found. The chairman reassuringly wrote Mr. Biddle an advance analysis of the report.

Popular prejudice was rising, stimulated by Jackson's journalistic attacks. The Bank was "the Monster," ready (in the words of "Old Bullion" Benton) to swallow the helpless nation as a dog swallows a lump of butter; "one gulp, one swallow, and all is gone." The Bank adherents were aristocrats and "ruffians"; its president was "Emperor Nick."

So touchy a subject of debate did the issue become that congressmen preparing to speak on the question put their notes in one pocket and their weapons in the other.

Biddle went to Washington in 1832 and personally electioneered his rechartering bill through both Houses. Jackson, he predicted, would not dare veto it. But Jackson did veto it.

The financier, an abler strategist than the professional politicians whom he hired, wished to withdraw for a time,

but Clay dissuaded him by pointing out that Jackson, if reelected, was quite capable of withdrawing all government deposits from the Bank's various branches. The Kentuckian wished to keep the Bank in the political battle front; he thought it a winning issue for his own presidential campaign. He was fatally wrong. The Democrats marched to the polls beneath the green branch symbolistic of Old Hickory, and swamped Clay to the martial strains of:

It shall wave o'er the grave of the
Tory knave,
And shelter the brave and the free.

When Biddle lost his temper

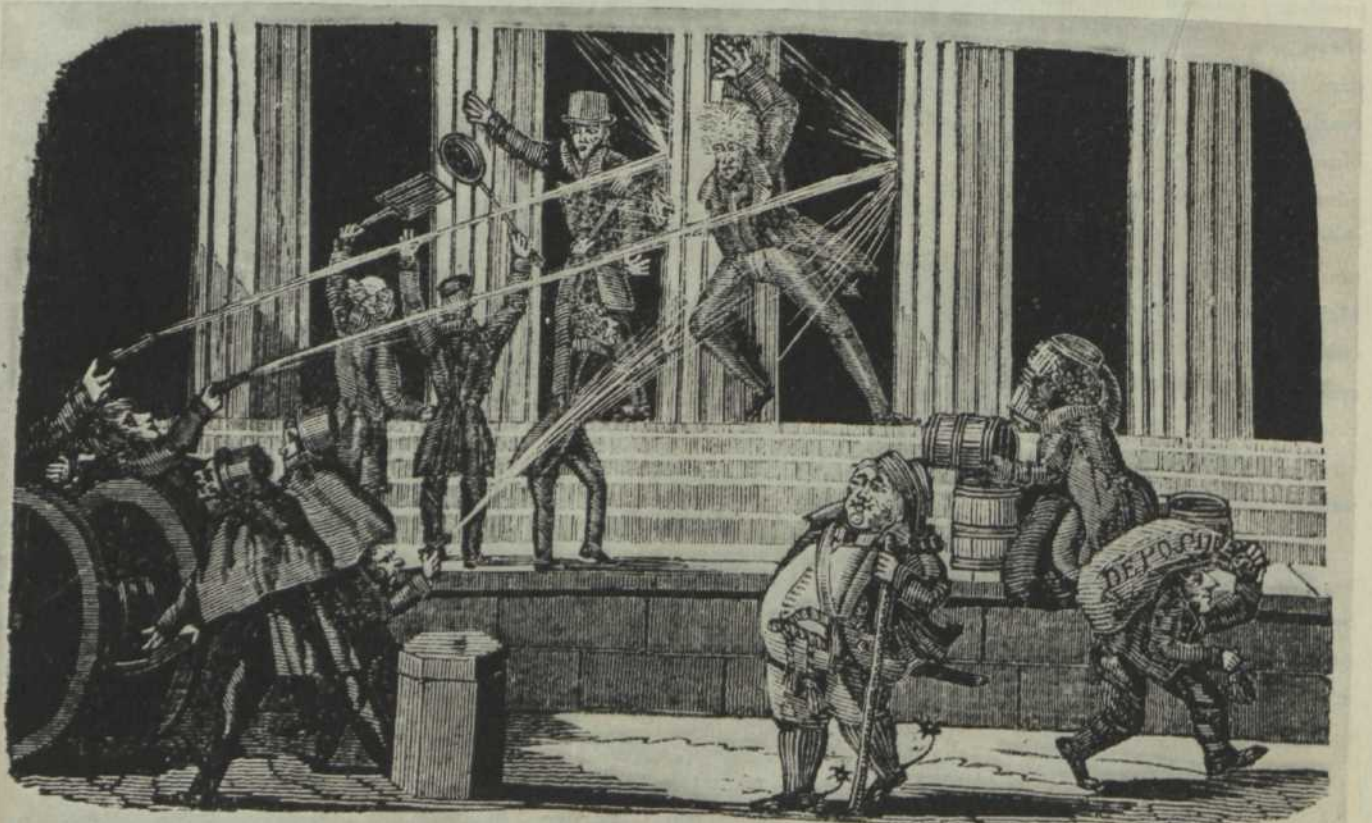
JACKSON promptly justified Clay's prophecy by threatening to remove the government deposits on the reasonable grounds that they were being used as bribes and retainers to public officials. Later he did remove them, and distributed them among the state banks, which was clever politics but dangerous finance. Seldom did the urbane Nicholas lose his temper; now he was justifiably annoyed. To his lobbyist, Hopkinson (author of "Hail Columbia!") he expressed his exasperation.

"The worthy President thinks because he has scalped Indians and imprisoned judges, he is to have his way with the Bank. He is wrong."

It was not the President who was wrong, but the banker. Convinced of his error, he determined to make the nation pay for it and for their sins in supporting his enemy. He engineered an object lesson. It was to be a warning and an example to Jackson, and a punishment visited on a stiff-necked generation of Democrats. Webster, with whom he conferred as to methods, referred to it as a "discipline" of the public. He and Biddle cherished the curious illusion that it would help toward a recharter of the Bank by stirring up feeling against the President.

Curtailment of loans began in the summer of 1833. In its inception it was a sound, even a necessary, policy. The Bank assets had been seriously depleted by the loss of the government deposits. But Biddle, having satisfied the requirements of safety, sought revenge. The contraction became a squeeze. The squeeze, manipulated by the whole widespread network of branches, became a panic. The Biddle program was working out perfectly.

Stocks crashed. Money went to 18 per



The Bank controversy, liveliest issue of the day, gave cartoonists many opportunities. This one shows Jackson dodging attacks by Biddle's henchmen as he removed deposits from the Bank

WRITTEN BY HAND

in Red



"ALL'S well", say the black figures on business statements — *but*, hiding behind those figures is often a *direct profit loss*. The unnecessary expense of *hand work* is there, although it cannot be seen on the statement.

Hand methods were all right yesterday. They rob net profits today. They belong to a bygone age of business. How are business forms and communications being written in *your* concern, *your* department? By hand? Addressographs will write them ten . . . twenty . . . thirty . . . fifty times faster, at far less cost, and *without errors* — ledger pages, production forms, payroll sheets, dividend checks, time clock cards, route sheets, inventory forms, pay checks, sales letters, bulletins, envelopes, post cards, and dozens of others.

From the smallest businesses to the largest, the speed, accuracy and economy of Addressographs is wiping away unnecessary expense of hand work wherever names and data must be written. The Addressograph representative in your locality will gladly give full information without obligation.

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Electric and automatic Addressographs — print thru a ribbon — speeds from 2,000 to 12,000 impressions an hour. Electric machines \$295 to \$785 — automatic machines \$595 to \$12,750, f. o. b. Chicago.



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Addressograph

TRADE MARK

PRINTS FROM TYPE

Class 5200 Dupligrph produces 500 personalized letters an hour with name and address, salutation, body of letter and date. Price \$275 to \$350, other duplicating machines \$57.50 to \$2,025, f. o. b. Chicago.

cent. Factories shut down. Business became paralytic. The jobless walked the streets. A New York firm with \$110,000 in unimpeachable assets failed for \$25,000. Distress petitions, genuine and doctored, flooded Congress. Mass meetings of artisans and mechanics were engineered in the large cities. The widow-and-orphan figured largely. Deputations visited the President.

"Why do you come to me?" demanded Jackson. "Go to Nicholas Biddle."

Uproarious galleries

THAT year's Congress was called the Panic Session. It was lively, even for those spirited times. The Senate gallery, packed with best (but disorderly) citizens and fashionable (but shrilly partisan) ladies, whooped and hooted when a heckled anti-Biddle speaker yelled "Bank ruffians!" at them. Emotions were tense to the breaking point. One senatorial defender of Jackson became so overwrought that he fainted on the floor, and his successor in the argument fell in a fit and developed brain fever.

Battle, murder, and sudden death hovered in threats upon the agitated air when Webster, for the Finance Committee, reported out a motion censuring the President for the removal of the deposits. Nevertheless the motion passed and stood upon the records until a counter-motion expunged it.

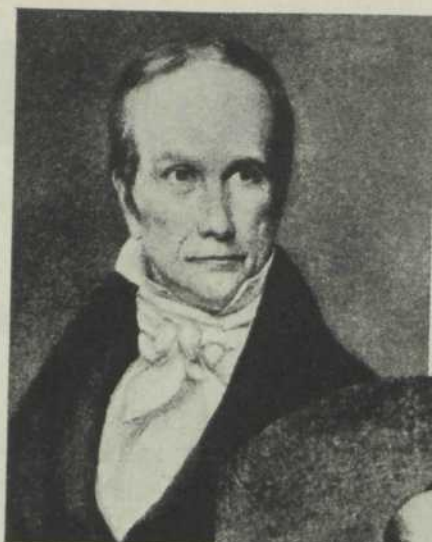
In retaliation the House, strongly Jacksonian, appointed a committee to investigate Biddle's own Philadelphia bank.

"Show them nothing," was the Emperor's command to his subordinates. The committee returned to Washington, feebly demanding contempt proceedings.

"What are you going to do about it?" taunted Congressmen and ex-President Adams, anticipating Tweed's classic challenge. "We have no soldiers to enforce our orders."

Perceiving the logic of this, the House did nothing.

A successful panic may be too successful. It developed that the Bank's own friends were being hurt the worst. Distress petitions not manufactured for congressional consumption, poured in on the directors. Business men in New York and Boston were growling openly. Webster alarmed for his political future, counseled a relaxation. The Emperor



Henry Clay hoped the bank row would make him president



Daniel Webster at one time owed the Bank the sum of \$38,331.81

was doubtful whether discipline had gone far enough. But a power greater than his, the natural resiliency of a country fundamentally prosperous, was asserting itself. The artificial panic could not be maintained indefinitely. It collapsed.

Turns from bribe-giving

HAVING served eight years, Jackson retired, leaving to his political heir, the amiable Van Buren, the anti-Bank issue as a bequest. The Bank accepted the new challenge and spent money liberally in pamphleteering and editorial support. Bribery, however, Biddle now "renounced." He denied a request for \$5,000 from New York on the ground that it was obviously for a political use. As a matter of fact, corrupt methods were always distasteful to him, though he employed or connived at them at times.

In 1836 the charter expired. The individual institutions continued to operate, however, and to look to Biddle as their chieftain. He now sought a new charter and events contributed to his strategy. The state banking institutions, enriched by government deposits, went wildcat. Said the New York Sun:

"Banking facilities were in everybody's reach. Almost everybody was on some board of directors, or had a father, brother, cousin, friend or acquaintance there. When that was not the case, an

endorser could be had for a premium. . . . Now speculation in her glory walked. Joint-stock companies of every possible description started into existence. City lots, town lots, highland lots, swamp lots, granite quarries, India-rubber companies, railroads, canals . . . associations to extract sunbeams from cucumbers and moonshine from sunbeams; Texas speculations, cotton speculations, and fancy stock gambling."

It was no manufactured crash that followed but so real a one that specie practically vanished, and business men produced their own private money with writing paper and ink. All the banks in Philadelphia, New York, Boston and Baltimore suspended payment. Biddle explained that it was the fault of the Treasury Department which had failed to meet its obligations; thus he improved a convenient, ready-made issue wherewith to beat Van Buren for reelection.

More than an issue was required. There must be a strong candidate. Clay had been tried and found wanting. Webster, the financier, considered of no more than vice-presidential caliber. Who else was available? Why not Nicholas Biddle?

Tactfully he laid the matter before his retainers. The lack of response did not discompose him. After all, the White House was but a second-rate ambition. The real goal of serious fiscal statesmanship was to refound the great system and become once more the benevolent dictator of the nation's finances.

In a letter written at this time he mentions regretfully his "notoriety" which renders it inadvisable for him to come to Washington and take charge of the unceasing war. Perhaps it was this feeling which impelled him to resign the presidency of the Philadelphia Bank, or possibly it was a shrewd prevision of what was impending. The institution had gotten deep into unsound financing and shortly after his resignation it closed its doors.

Though officially out, Emperor Nick was blamed for the crash. His life was threatened; his enemies talked of prosecution. He smiled and set himself to the congenial task of defeating Van Buren for reelection. However, in spite of the

"You ought to read this Book, Stevens . . . It certainly opened my eyes!"



"I know you're a busy man—that's just the reason you'll be interested in this new book, *Profit Building Through Management Control*, recently published by the Acme Card System Company. It took me less than ten minutes to read it, and yet the message is complete and of fundamental importance. It is a revelation to me! Now I know why Acme Visible Equipment turns expense and non-productive records into Profit Builders, and they're going into every department of my business."

* * * *

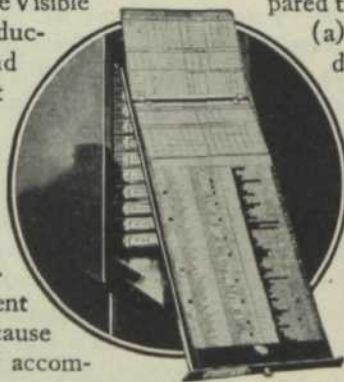
Profit Building Through Management Control is written for busy men. The material for this book is taken from the experience of the entire Acme organization installing Record Keeping Equipment the world over. It is authoritative because centered about concrete instances of accom-

plishment. It is brief, concise and straight-to-the-point. Further, it is a statement of definite facts, basically important in the management and control of industry under present day conditions, that will be a benefit to you and to your business.

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Without obligation on my part, you may send me your book, "Profit Building Through Management Control."

☐ Have a systems man call for conference.

Name _____ Firm Name _____

City _____ State _____



NB-8

... and then forget about it!

*Why bother with "patchwork"
when there's a permanent
way to insulate your roof?*

Armstrong's Corkboard adequately insulates the roof and provides a firm, protective base for the roofing.



TEMPORARY arrangements are rarely satisfactory—in any business matter. Especially in the business of ridding your building of roof insulation troubles. Any material may do for a short time. But corkboard adequately checks ceiling drip and minimizes heat losses.

It's important to remember that Armstrong's Corkboard permanently resists moisture. Consequently it doesn't lose its efficiency. Ceiling drip is checked for the life of the building. This is essential in mills and factories where moisture menaces to machinery and materials must be avoided.

And in hotels, apartment houses, and office buildings, Armstrong's Corkboard Insulation keeps top-floors cooler in summer and warmer in winter. Rental areas become more valuable and desirable. Com-

plaints from tenants are stopped.

In all types of buildings, fuel saving becomes evident. Since Armstrong's Corkboard Insulation controls the passage of heat at the roof, furnace warmth no longer escapes to the outdoors. Then building comfort and modest fuel bills are assured.

It is also true that employees' efficiency in factories and offices is increased when adequate corkboard insulates the roof. For complete details, we suggest you send for the book, "The Insulation of Roofs with Armstrong's Corkboard." Our engineers are also prepared to consult with you at your convenience.

Armstrong's

Product

Just write to us. Armstrong Cork & Insulation Co., 903 Concord St., Lancaster, Pa.

Armstrong's Corkboard Insulation for the roofs of all buildings

When writing to ARMSTRONG CORK & INSULATION COMPANY please mention Nation's Business

fact that he had no official connection with the Bank and was neither legally nor morally responsible, he felt that his name was involved, and sunk most of his private fortune in the effort to save the institution. On a point of honor the autocrat could be quixotic.

Harrison was now President but Biddle wrote gleefully to Webster, the Bank's man, that the coming administration would be, "in fact, your administration." He might have added parenthetically "and mine."

Luck was against the financial cabal. Harrison died, and Tyler who succeeded, was an avowed anti-Bank man. Nevertheless, Biddle seems to have believed that if a reestablishment bill could be put through, the new President would be afraid to veto it. The bill was passed and vetoed. It was resurrected, with the Bank disguised as a "Fiscal Corporation." Again it was vetoed. Tyler's party abandoned him on the issue. All his Cabinet but Webster resigned. The Bank, technically non-existent, had unmade an administration.

He scores another victory

TO bring about the complete alienation of the Whigs, now the avowed Bank party, from their nominal leader, was the next concern of the Biddle pamphleteering machine. It was completely successful. Texas alone voted for Tyler's renomination. He joined Van Buren in the Bank's political cemetery.

Other issues began to overshadow the financial conflict which for 20 years had been front-page news. Emperor Nick retired to his country place where he dabbled in occasional advisory activities and enjoyed his comfortable fortune to the irritation of his enemies. Two of his statesmen-employees, at least, were left painfully flat, by the closure of the Bank-bag.

Nicholas Biddle died in 1844, after a life well and actively spent in the pursuit of a high and single purpose. Under the Bank standard he did not perhaps win a decisive victory, but he inflicted some notable defeats.

He had, with the best intentions in the world, embroiled three administrations, destroyed two, helped to establish one, and had provided more political excitement to his contemporaries than any other individual except Jackson. His heritage to his successors is a too-little-known collection of unburned letters, "private as murder" and otherwise, filling 130 volumes in the Library of Congress and constituting a unique contribution to the literature of trouble.



BAKELITE SURVEYS A NATION'S INDUSTRIES



HARDWARE

One thousand and one assorted items, including mechanics' tools and supplies of all kinds, and house furnishing goods in great variety, line the shelves and bins of a hardware store. The most casual check of any hardware stock will reveal that an astonishing number of these articles have been improved through the use of Bakelite Materials. Screw drivers and trowels have handles of Bakelite Molded. Brushes are permanently set in Bakelite Cement and have ferrules of Bakelite Molded, the latter also being used for the handles of paint sprays.

Rustless and stainless door knobs, roses and escutcheons, in a number of colors, are also formed of Bakelite Molded, and pots and kettles and cutlery have handles of the same material.

These are but a few of the items carried in the hardware store that have been made better and more durable by Bakelite Materials. Manufacturers within the industry are continually finding other ways in which these products may be used to obtain higher quality and finer appearance. Write for a copy of Booklet 42M, "Bakelite Molded."

NEXT MONTH COSMETIC AND PERFUMERY INDUSTRY

The Story of Bakelite. This outstanding romance of industry is of absorbing interest. It is told in an industrial motion picture film showing the various stages in the manufacture of Bakelite, and the fabrication of finished products. A two reel print on standard width non-inflammable stock will be loaned free of charge.

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BAKELITE CORP. OF CANADA, LTD., 163 Dufferin St., Toronto, Ont.

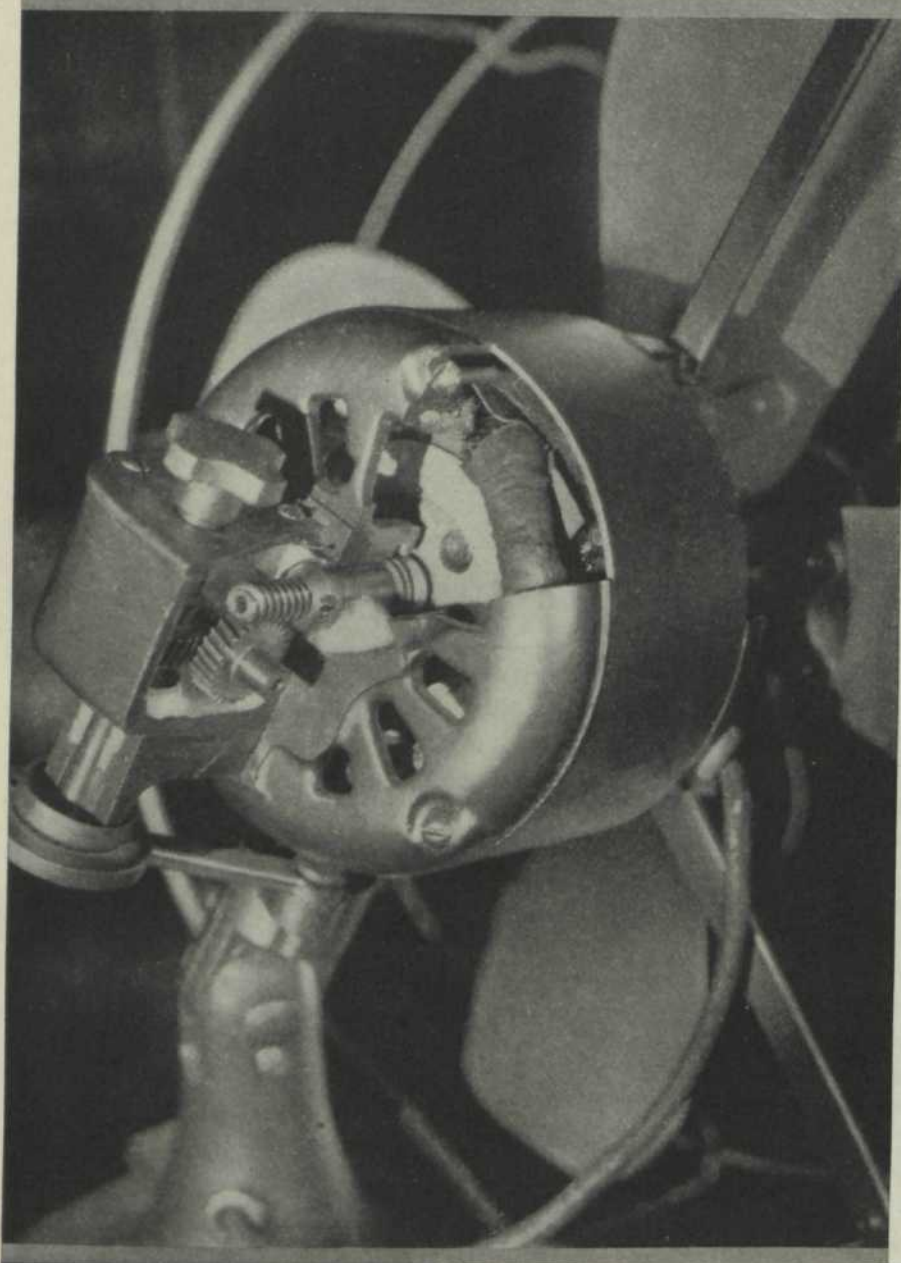
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Wagner Fans Help Your Employees

You know how a cool breeze can clear the decks for action in stuffy enervating hot weather! Every man and woman in your organization will breathe deeper and accomplish more if a Wagner Fan is creating crisp bracing weather for them. In the home they need help too... one fan is not enough. The motor is cut away to show quality of Wagner construction:



Wagner, Quality

Your Wagner Fan dealer can show you how to use Wagner Fans to greatest advantage in office or factory and home.

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Sales and Service in 25 Cities

PRODUCTS... FANS: DESK, WALL, CEILING
TRANSFORMERS: POWER, DISTRIBUTION, INSTRUMENT
MOTORS: SINGLE-PHASE, POLYPHASE, DIRECT CURRENT

Do Railways Set the Pace for Business?

(Continued from page 46)

per car, the total saving to the industry for this single year was \$196,000,000.

"Smaller stocks require less warehouse space, less handling, and are less liable to depreciate in value. Experts of the Bureau of Railway Economics estimate the additional saving on this score at no less than ten per cent, and they say it may be as high as 20 per cent.

"But take the lower figure. It indicates an inventory saving to the motor-car industry, on the score of transportation, of \$588,000,000 in one year. Try to estimate the effect of that on all business! The railroads have reduced their own inventories from \$750,000,000 to \$450,000,000.

"Man's time, too, is worth money. The railroads have added millions of hours to it in the aggregate. Fast extra-fare trains have been made faster. Straight-fare trains have been stepped up into the old extra-fare class with no increase in fare.

Trimming down time distances

"IN FIVE years, ten hours have been lopped off the time that separates Chicago and California by rail, while Chicago has been drawn seven hours closer to the north Pacific coast. San Francisco is seven hours and 25 minutes nearer Seattle. The latter is a full working day nearer St. Louis.

"New Yorkers can get to Tampa in seven and a half hours less than it took in 1924, and to New Orleans in four and a half hours less. Instead of only two twenty-hour trains daily to Chicago, they now have their choice of six twenty-hour trains and of six less-than-twenty-one-hour trains daily. An hour and three-quarters has been clipped from the time distance between Broadway and Montreal.

"These are only typical instances. Everywhere trains are making faster time. In 1924, the lowest average speed of any crack train was 29 miles an hour. Today it is 35.2 miles an hour.

"The highest speed average in 1924, excepting short runs, was 45.5 miles an hour—made between New York and Detroit. Today the highest average is 48.7 miles an hour—made between New York and Washington.

"Railroad speed isn't simply a matter of 'stepping on it.' Roadbeds must be improved, heavier rails spiked to ties, curves reduced, bridges built over cross-

STRUCTURAL STEEL CREATED THE SKYSCRAPER

STEEL REACHES INTO THE FUTURE

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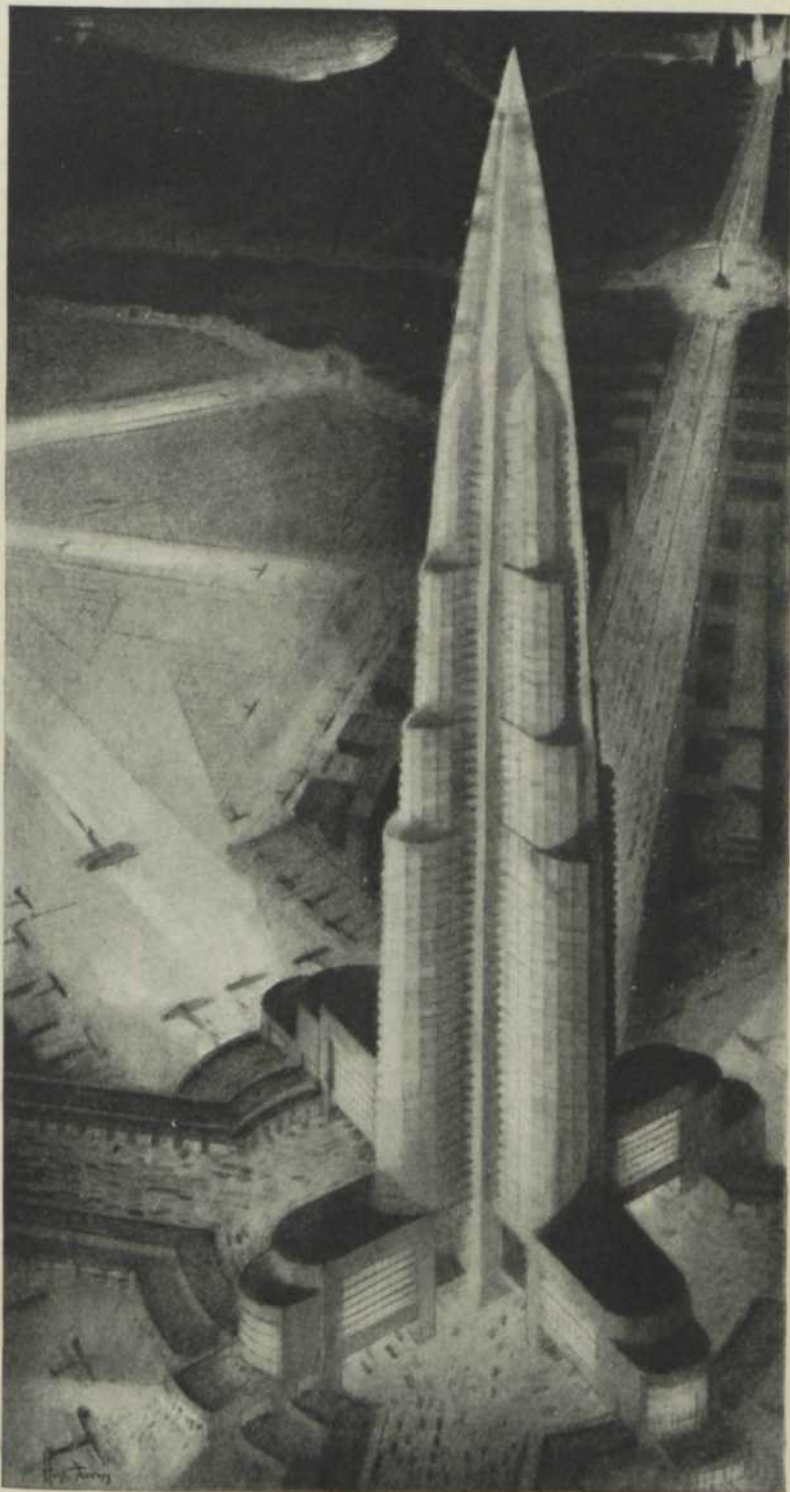
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Before building anything find out what steel can do for you. The Institute serves as a clearing house for technical and economic information on structural steel, and offers full and free co-operation in the use of such data to architects, engineers and all others interested.



The co-operative non-profit service organization of the structural steel industry of North America. Through its extensive test and research program, the Institute aims to establish the full facts regarding steel in relation to every type of construction. The Institute's many publications, covering every phase of steel construction, are available on request. Please address all inquiries to 200 Madison Avenue, New York City. District offices in New York, Worcester, Philadelphia, Birmingham, Cleveland, Chicago, Milwaukee, St. Louis, Topeka, Dallas and San Francisco.



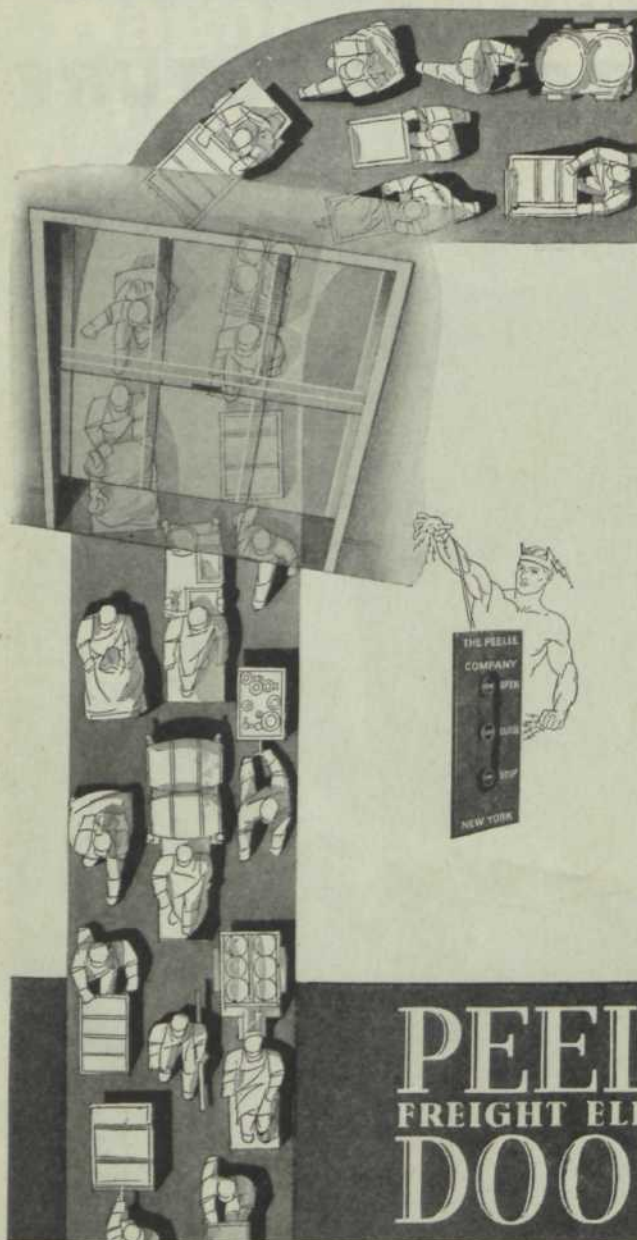
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tracks and highways. Tunnels must be driven, hills dynamited away, costly signal systems erected. The speed bills of the railroads have run into staggering totals.

"Since and including 1923, the Class-one roads, which operate 91 per cent of the mileage and earn 97 per cent of the revenue, have spent more than \$5,785,000,000 on improvements to make the present speeds in handling people and goods possible. Almost a billion has been spent for additional track, 270 millions for heavier rails, and 95 millions for additional ballast. More than 2,600 millions have gone into new equipment. And the Pied Piper of Speed is still exacting a toll at the rate of more than 800 millions a year!

"Figure what this has meant to business, psychologically and economically, or any way you care to take it. And then put on top of it the fact that freight-rate reductions since 1922 have saved shippers almost five billions of dollars which they would have had to pay had rates remained at the 1921 level.

Trucks have their limitations

"STYLE? Yes, style has reduced inventories. So have trucks. But all retail stores can't be served by trucks, nor are they within a night of New York, the style center. The farther a retailer is from his base of supplies, the greater is his dependence on the railroads. Trucks couldn't begin to haul raw materials used by a fraction of our factories. Still, the truck has its field, a field which is being coordinated with that of the railroad.

"Certainly the railroads have been beneficiaries of their own efforts. But as business is dependent on the railroads—as railroading is a distinct part of production—business has benefited even more. And if the spur of the traffic agent was applied to force railroad betterment, why the spur at all if business did not hope to gain, if better transportation was not vital to more efficient methods all around?

"And don't overlook the fact that as fast as business needed better railroad service it got it. That service is still being improved. It will continue to be improved just as rapidly and as much as the need demands. There's no limit as long as the Piper is paid a just due."

"Is that ballyhoo?" inquired the traffic agent.

"Humph!" snorted the railroad man, glancing at his watch and getting up. "Ballyhoo or fact, it's past two o'clock. Come on, let's get back to work."

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WITH airplanes flying a total of 83,000 miles daily in the United States, it is not surprising that records frequently go by the board unheralded by newspapers. Several recent performances of Ford commercial planes deserve to be emblazoned on the records as evidence of the efficiency of the tri-motored, all-metal transport. . . .

A Ford all-metal, tri-motored Army plane flew 1140 miles over land and sea from Miami to France Field, Panama Canal Zone, in 11 hours and 20 minutes, with a crew of four. In this record flight it passed through two rain squalls and dodged another. The official report said: "Plane and engines functioned perfectly, so the flight was made without particular incident."

The "Firestone," a Ford all-metal, tri-motored transport plane, carrying five passengers and two pilots, flew from Jacksonville, Florida, to Akron, Ohio, 1015 miles, with two stops, in 7 hours and 50 minutes actual flying time, an average within a fraction of 130 miles an hour!

Most notable of all is the record of Stout Air Lines which have completed 1,000,000 miles of safe flight, carrying 107,000 passengers.

FORD MOTOR COMPANY

Visitors are always welcome at the Ford Airport at Detroit

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THE FORD PLANE

The Ford plane is planned, constructed and operated as a commercial transport. Built of corrugated aluminum alloys, it has great structural strength and durability, and is most economical to maintain in operation. The uniformity of its material is determined by scientific test. All planes have three motors in order to insure reserve power to meet and overcome emergencies. The engines may be Wright, Pratt & Whitney or Packard Diesel, totaling from 675 to 1275 horse-power. Ford planes have a cruising range of from 580 to 650 miles at speeds between 55 and 135 miles per hour. Loads carried from 3630 to 6000 pounds.

The capacity of these planes is 9 to 15 passengers and a crew of two (pilot and assistant). Planes can be equipped with a buffet, toilet, running water, electric lights, adjustable chairs.

The price of the Ford tri-motored, all-metal plane is exceptionally low—\$40,000 to \$50,000 at Dearborn.

Ford branches will be glad to give you information on the Ford tri-motored, all-metal plane in all models.



The Ford Plane

Courage in Business

All modern industrial and mercantile expansion depends upon *Courage*. It explains progress. It determines the limits of individual success. It is the physical expression of confidence and belief.

Business moves forward only so far as it is led by men with the vision of new conditions, new ideas, new forces, new methods—and *the courage to put them through*.

Companies lacking this leadership are left behind after every period of inflation. Courage is not governed by conditions; it controls conditions. It not only recognizes, but *corrects*, weak organization, backwardness, inefficiency.

Courage is inspired by knowledge. Knowledge dispels fear. Exact knowledge of one's business comes from the analysis of facts incident to sound planning, and from the frequent comparison of operating results with a well-made Budget. Weaknesses and wastes are made apparent, and knowledge of better ways, *with courage*, eliminates them.

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Pan-American Business Men to Meet

TO encourage greater interchange of cultural values, services, and material commodities between countries of the American Continent, the Sacramento Region Citizens Council has called the unofficial Pan-American Reciprocal Trade Conference, to convene in California this August.

Some months ago, in an effort to discover new outlets for California farm products, the Citizens Council sent two trade commissioners to the east coast of South America. They went not as mere salesmen, but rather as carriers of the message of reciprocity in trade. So well was their mission received that they were asked in Argentina to request the Citizens Council to call an unofficial gathering where civic-minded men might discuss freely, unhampered by official formality, the existing barriers to commercial interchange. Out of this request came the Pan-American Reciprocal Trade Conference.

From August 11 to 23, the delegates will be taken on a tour of the State, to observe agricultural, industrial and educational practices; August 25-30, there will be a six-day conference in Sacramento; and August 30—September 7, the delegates will be guests of the California State Agricultural and Industrial Exposition.

Round-table meetings planned

PRACTICALLY all conference activities will be conducted at a series of round-tables which, under 14 major headings, will discuss the many topics that have been submitted by civic and business organizations.

Practically all of the Latin-American nations are sending official, governmental delegates; and from every country representatives of civic, agrarian, industrial, commercial and educational associations and institutions will be present. A number of cities on the Atlantic Coast of the United States also plan to send delegates. Several United States federal departments and the Pan-American Union will be represented.

To stress in a practical way the idea of reciprocity, delegates from all nations have been invited to bring samples of commodities in which they believe other representatives may be interested.

It is generally conceded that out of the Conference there will come a permanent unofficial Institute of Pan-American Relations.

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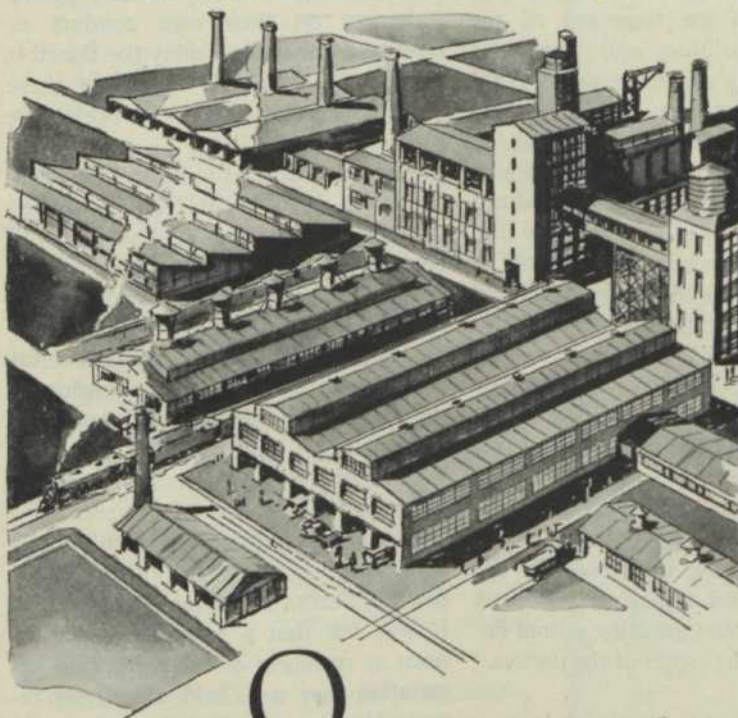
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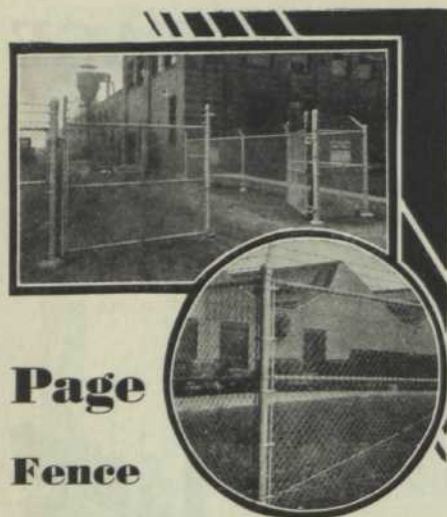
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The Tangled Web of Farm Finance

(Continued from page 52)

books on account of this mortgage. In this connection our investigation indicates that a large number of items were paid out and charged against the building cost which should not have been so paid or charged."

It is possible to gather from the reports of the receiver that the officers of the Bank were something less than helpful.

"The Bank is believed to be the owner of 85 per cent of the capital stock of the Safe Deposit Company of Kansas City, which occupies the basement of the Land Bank Building and owns and operates a safety deposit business. After exhaustive search for the certificates representing this stock ownership, it was ascertained that Walter Cravens (the president of the Bank) claimed that these certificates were held by him as collateral to secure the payment of a note in the sum of \$5,555.52 alleged to have been executed by the Bank to him prior to receivership. Suit was instituted against Mr. Cravens for the cancellation of this note and the return of the stock. After the institution of this suit, it was ascertained that the certificates representing this stock were no longer in his possession. The holder of this stock has now intervened in the pending suit, and the stock has been impounded in court awaiting a final determination of the rights of the parties."

Farmers and investors lose

NOW that the stockholders apparently have lost their entire original investment and face a possible 100 per cent assessment in addition, it is only natural that they should accuse bitterly that Government whose laxity of supervision permitted this bank to flounder under the guidance of such pilots. Also it is possible to understand the state of mind of the 10,000 bondholders who, purchasing the obligations of the Kansas City Joint Stock Land Bank under the impression that they were government securities, now discover that the proceeds were dissipated by a group of promoters of ventures unrelated to land banking.

We have emphasized the affairs and experiences of the Kansas City Joint Stock Land Bank for a number of reasons. The Bank is one of the largest in the system. Its misfortunes are due almost entirely to its officials. The

Federal Land Bank of Wichita operating in the same district has an excellent record.

In bank after bank the examiners of the Farm Loan Board have found it necessary to identify the individuals to whom bank records show loans to have been made. Dummy borrowers were created to soften the ugly spots which foreclosed loans made in the balance sheets.

In most of the banks the directors were also the principal executive officers. In their capacity as directors they passed judgment on their own conduct as officers of the bank. Today the Board is making heroic efforts to correct these conditions but the effect is preventive rather than remedial.

The ten years of the Farm Loan System from 1916 to 1927 have revealed another fundamental weakness. It will be recalled that Congress spent much energy, time and money studying the experience of European nations in providing credit to agriculture. As a result it adapted the collective borrowing of the Prussian *Landschaften* to American conditions.

Congress fondly expected that the formation of groups of farmers who would be responsible for each other's loans and pass on the competence of all new applicants would minimize losses.* It was felt that a farmer's neighbors, since as members of the farm loan association they were held collectively responsible for errors in judgment, would approve applications for loans only after the most painstaking consideration. This proved to be one of those propositions which looks fine in theory but fails to work out in practice.

In some of the districts, notably in Texas, every effort was made to show the farm loan associations the full significance of their responsibilities.

The functioning of the farm loan association in other districts has been less than perfect. In the first place the

*To borrow from a federal land bank, a farmer must first join a national farm loan association by subscribing to five dollars' worth of stock for each \$100 he wishes to borrow. His application for the loan is first passed upon by the loan committee of the association.

If approved, it is then sent to the federal land bank which sends its own appraisers to value the land for loan purposes. If the application passes this second scrutiny, the bank sends to the association ninety-five per cent of the loan in cash and five per cent in stock of the bank.

The association passes the cash on to the farmer, retaining the land bank stock, dividends from which it uses, in theory at least, to pay dividends on its own stock and to defray expenses.

Through its approval of applications the association is responsible for each and every loan, according to the law. This responsibility passes to the borrower through the cooperative character of the association.

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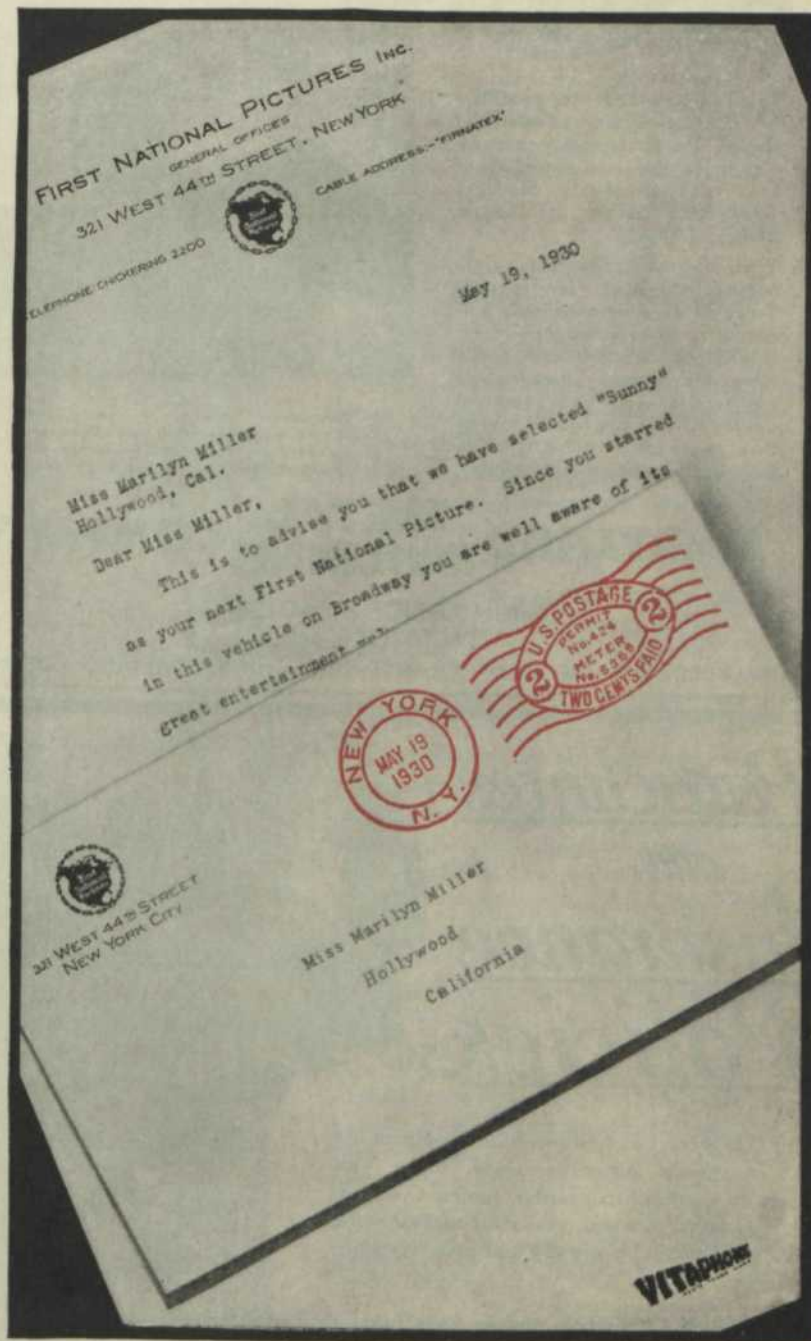
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Board appointed in 1916 was passive and indulgent. It felt that the Act had been passed to help the farmer.

In the absence of admonitory pressure from above it was discovered that the desire of association members to help their neighbors far outweighed their judgment of the credit risk involved. The law expected a group of farmers to make decisions which only an experienced banker could make.

The farm loan associations passed the buck to the secretary-treasurer. He was the only paid official and his compensation usually came in the form of fees paid by the borrowers. The result was obvious and inevitable.

Once the associations got into difficulties it became a delicate matter to attempt to exercise the teeth which the law provided for enforcing the liability of solvent members. As the old Board saw the situation such an attempt would serve only to compound the distress of farm communities.

Furthermore, the banks did not accept the recommendations of the farm loan associations. The banks sent their own appraisers to examine the properties on which loans were requested and the determining factor in granting the loan was the report of the appraiser and not the recommendation of the farm loan association. The banks rejected fully 57 per cent of the recommendations of the associations.

Responsibility not enforced

THE old Board felt that the banks had clearly assumed full responsibility for all loans made and any attempt to enforce the endorsement of the associations was an attempt to transfer the consequences of defective banking judgment to parties whose competence the banks had denied. However sound this reasoning may be the fact remains that the law itself had not been changed.

We may sum up the situation in 1927 by saying that the federal land bank system still suffered from the effects of the war-time jag in bloated values, that its efficiency was impeded by the paralyzing influence of politics, that the joint stock land banks had gravely abused their privileges under the Farm Loan Act, that such abuse had wrought great injury to thousands of investors and that the attractive theory of uniting the farmers for more effective credit bargaining had, with some notable exceptions, dismally collapsed.

(This is the third of a series of articles by Mr. Lawrence. The fourth will appear in an early number.)

NEW YORK STATE still offers Pioneer opportunities



The pitfalls in the path of manufacturers today are just as real as the dangers confronting the pioneer of covered wagon days.



THE motor-truck replaces the covered wagon. The riveter's rat-a-tat drowns out the frontier rifle. Yet hazards still await the manufacturer. Of these, the growing cost of distribution is the worst. Too many factories waste their profits in excessive marketing expense.

In the new science of plant-location, the search is no longer for a site where raw materials happen to be. Six other factors are now weighed. Of these, the two most favorable to New York State are:

1. Lower cost of distribution
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For in New York State centers the world's greatest group of consumers. At your back door, there are ships to carry your goods to all the earth.

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You will have all the other advantages too: Transportation facilities are unexcelled. Basic raw materials are available either within the borders of the State, or close by. Unlimited capital is available. Labor is plentiful and productive.

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AN INTERNATIONAL ORGANIZATION

The Classroom Opens a Market

(Continued from page 35)

me that there was no difference in men for race, class, sect or religion, these ideas that make me live like a civilized person, a humanity-loving person, that enabled me to live larger thoughts, generous thoughts, thoughts, such as you were living; these ideas I owe to you, O women.

Halidé Edib, together with another graduate of the American Women's College, was instrumental in causing a complete change of the old Turkish laws regulating the lives of the women. Polygamy was abolished, and today womanhood in Turkey, as far as the legal status is concerned, is on exactly the same basis as womanhood in Switzerland.

Several graduates of Constantinople College, specializing in medicine, and completing their studies abroad, have brought better sanitation, health education, health centers, and infant mortality work to Turkey.

Robert College organized Turkey's first School of Engineering, and its graduates, mechanical, electrical, and civil engineers, are helping to reconstruct Turkey. The Turkish Government supports 25 students in the electrical department.

Syria and Arabia influenced

THE University of Beirut has already permeated the life of Syria and the Arabic hinterland to a considerable extent and is at the threshold of a much greater influence, due to the remarkable awakening and transformation going on in the minds of these peoples of the Near East.

Many of these governments are trying to develop a modern school system with the aid of the University of Beirut and in close coordination with it. They turn to the University for their teachers. They are endeavoring to make their government examinations acceptable for college entrance to Beirut, and are doing their best to raise their standards up to the college requirement. Thus they look to Beirut as the university toward which their own students naturally gravitate.

The head of the Department of Education of Transjordan, a conservative Moslem along many lines, is completely convinced of the value of the American type of education and has cooperated wholeheartedly with Beirut University. He has taken from it many male grad-

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Wonderful Sanitary "Whisper-It-Mouth-piece" enables phoning in low tones—Secret conversation—Every advantage of booth. Sanitary, made of glass—Instantly adjusted. Your Stationers or postpaid \$1.00. Money Back Guarantee.

THE COLYTT LABORATORIES

565 West Washington St., Chicago



SOLID KUMFORT

Bentwood

FOLDING CHAIRS

for Every Purpose

WRITE FOR BULLETIN

LOUIS RASTETTER & SONS CO.

1412 WALL ST., FORT WAYNE, IND.

62

BRANCHES OF INDUSTRY

have consulted

WEYERHAEUSER CRATING ENGINEERS

Hundreds of Laboratory-Designed Crates have substantially reduced shipping costs for manufacturers in these industries:

Abrasives	Concrete Products	Laundry Appliances	Screens
Agricultural Implements	Cork and Linoleum	Machinery	Sheet Metal
Aircraft	Dairy and Creamery Machinery	Meat Products	Shipbuilders
Asphalt Shingles and Roofing	Electrical Goods	Metal Ware	Shot
Automotive	Enameled Products	Office Appliances	Signs
Bicycles and Motorcycles	Fibre Conduits	Paper	Soda Fountains
Brick, Tile, Terra Cotta	Fire Doors	Pianos	Sprinkler Systems
Burglar Alarm Clocks	Fire Fighting Apparatus	Plumber Supplies	Storage Warehouses
Cans	Flooring	Quarries	Store and Office Fixtures
Carpets	Furniture	Railway Signal Equipment	Stoves
Castings and Forgings	Gasoline Meters	Refrigerators	Tents and Awnings
Chains	Glass	Rock Products	Textiles
Chalk	Glass Bottles	Roller Bearings	Toys
Chemicals	Hardware	Rubber Goods	Water Meters
China Ware	Incubators and Brooders	Sash and Door	Wire and Cable
Church Bells		Sea Sleds	

The shipping room is the manufacturer's last trench in his fight for lower costs. Here is the final operation before his product is shipped to the consumer. And it is here that he has his last chance to cut his costs and increase his factor of profit.

Manufacturers of standardized lines in many industries have found that cut-to-size crates are more economical—an increasing number have discovered that the ultimate in low shipping costs has been achieved by consulting the Weyerhaeuser Crating Engineer. The Weyerhaeuser Laboratory Method of Analysis and Design has achieved remarkable economies for hundreds of manufacturers in a vast cross-section of industry. Wastes in materials and labor have been disclosed and eliminated and scientifically designed crates have been created.

The Laboratory Method determines the minimum amount of lumber required and evolves an accurate plan of fast, easy assembly that results in a scientifically designed crate of

neat appearance with adequate strength and rigidity to protect the contents against damage in shipping and resultant claims. Cost—in material, labor and shipping weights — is reduced to the lowest point consistent with full protection.

Your present cut-to-size crate may be soundly designed and properly assembled. It is possible, however, that we can show you savings through the use of lighter weight woods and because of our specialized manufacturing facilities and our long experience in solving industrial problems of this nature.

For the manufacturer who is unable to take advantage of the economies of cut-to-size crates, Weyerhaeuser offers a variety of ideal Light Weight Crating Woods in standard grades and sizes. These woods are light weight, non-splitting and of ample strength to assure adequate protection, making possible unusual savings in both labor and freight costs.



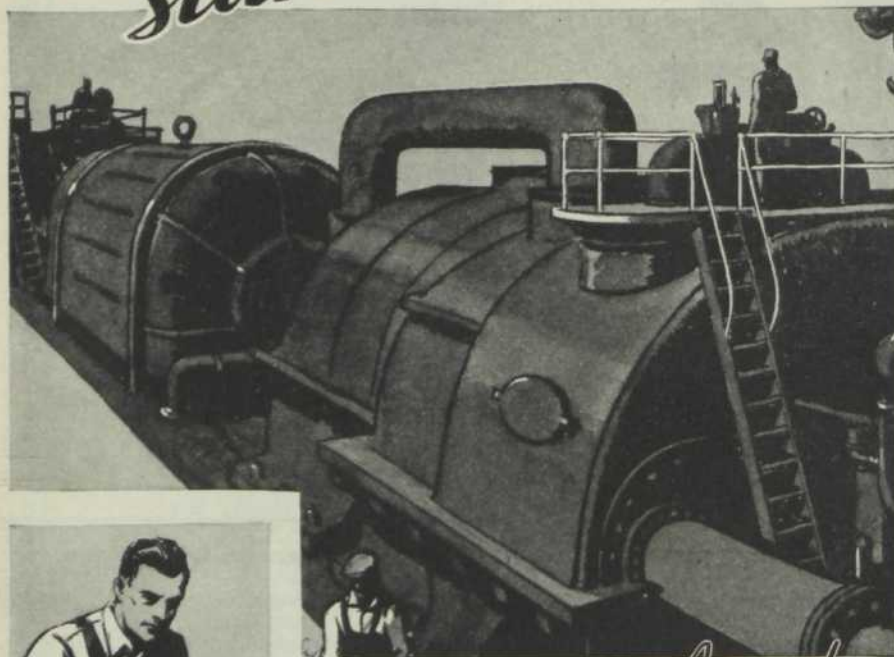
The Weyerhaeuser Seal is a symbol of demonstrated worth — proof that a crate is soundly designed and laboratory-tested.

Crating Sales Division

DEPARTMENT 32

WEYERHAEUSER SALES COMPANY
307 NORTH MICHIGAN AVENUE CHICAGO, ILLINOIS

FROM THE *sturdiest* TURBINE...



TO THE MOST

Delicate
PRECISION MACHINE

FOR every type and make of industrial equipment, Cities Service is prepared to supply the proper lubricant. Heavy grease for massive gears and bearing surfaces that must carry tremendous loads... the lightest and purest lubricating oil for delicate precision machines.

Wherever moving surfaces come together, at all speeds and at all loads, experts of the Cities Service organization, with their 68 years of petroleum experience, can recommend, authoritatively, the correct lubricant to be used.

Cities Service lubricants are proved in actual service—tested for quality, economy and performance in the great laboratories of industry itself—in the Cities Service organization's own power plants, pumping stations, machine shops. Millions of people depend on Cities Service turbines for light and power. Thousands of homes are heated by gas furnaces made in Cities Service shops where drills, cutting and grinding machinery are Cities Service lubricated. A fleet of tankers sails the seas, its heavy steam machinery lubricated with Cities Service products. A fleet of 4000 motor vehicles depend on Cities Service lubricants for economy and service. Industrial lubrication is as important to Cities Service as it is to *you*—and in solving its own problems, Cities Service has solved *yours*. A Cities Service engineer will gladly call and give you the benefits of his experience.

CITIES SERVICE OIL CO.
60 WALL STREET NEW YORK

*Cities Service Radio Concerts, Fridays, 8 P. M.,
Eastern Daylight Saving Time*



ONCE - ALWAYS

CITIES SERVICE INDUSTRIAL OILS
QUALITY PROVED WHERE IT SHOULD BE PROVED — IN INDUSTRIAL USE

When writing to CITIES SERVICE OIL CO. please mention Nation's Business

uates to help organize his Secondary School Department.

Iraq is making tremendous strides toward modernization. In addition to the 27 students supported by King Feisal at Beirut, to be trained as teachers for government schools, there are 145 other youths at Beirut who have come across the desert by auto from Iraq.

A number of these are the sons of cabinet ministers and men of high aristocracy of the country.

"Before long," says President Dodge, "the great majority of educated men in Iraq will be graduates of American universities."

Trains many medical men

THE influence of the University of Beirut upon health and medical work of the Near East is tremendous. It has for years been the leading medical center of this part of the world, and now the various countries of the Near East look to it for their doctors and their health officials.

Thus, pretty nearly three-quarters of the health officials of the Department of Health in Palestine are graduates of the Medical School of Pharmacy of the University of Beirut.

Similarly Egypt and the Sudan turn to Beirut for health officials. The director of health at Transjordan and a number of men in the Educational Department of that country are graduates of the American University.

The School of Commerce of the University of Beirut provides capable men to many of the governments of the Near East to help in the development of their finances.

How Sudan got out of debt

THE Government of the Sudan, a few years ago, appointed one of the graduates of the University of Beirut to be director of finance.

He found the Government more than a million dollars in debt. A tremendous profiteering had been going on in sugar during the war. He abolished the profiteering and took the sugar under government control, bringing the price down to the people, and yet raising enough money for the Government to pay off the whole debt.

For his services, the British Empire knighted him.

Palestine draws heavily upon the American University for the agents of its modernization. Nearly half of the government officials of Palestine are graduates of the American University. In



The automobile crankshaft is but one of thousands of machine parts made mechanically perfect on a quantity production basis by grinding.

Norton Company, Worcester, Mass., develops many special grinding machines to meet existing manufacturing requirements.

GRINDING WHEELS, GRINDING and LAPPING MACHINES, ABRASIVES FOR POLISHING,

NORTON

PULPSTONES, REFRACTORIES, POROUS PLATES, FLOOR and STAIR TILES, ABRASIVE AGGREGATE.

Fruit Salad Like a Breath from an Orchard



FRUIT SALAD, as it's served at Hotel Cleveland, is like a cool, exhilarating breath from an orchard in harvest time.

Crisp, green lettuce leaves (they were on ice half a minute ago)—slices of firm, juicy apples—sweet, fresh pineapple—slices of orange that seem all cool juice—pink and white peaches or tender pears—a bit of grape fruit—and a crown of candied cherry for a dash of color. And tang-y French dressing, golden mayonnaise or fluffy whipped cream, in a separate dish—as much or as little as you like.

Try that for a warm weather lunch—with a tall clinking glass of frosted chocolate. As cooling as a breeze from the north, and as satisfying.

A COOL OASIS ON A HOT DAY

Just to sit in the high, cool Main Dining Room of Hotel Cleveland on a hot day is restful and refreshing. The crystal and white surroundings, the gay pro-



fusion of flowers, the soft lilting music, the skillfully prepared special summer dishes all help to send you back to business or out to golf cooled and calmed and satisfied.

Hotel Cleveland

Public Square • Cleveland
1000 rooms, 150 of them at \$3

The New Union Passenger Station is directly connected to Hotel Cleveland by enclosed passageway. A Red Cap will take your baggage the few easy steps to the Hotel desk.

the business world, the graduates of the American colleges have always attained a considerable success. Now, new opportunities are open to them. A young graduate of Beirut has helped to introduce the automobile into Persia. Now, all up and down the few roads in Persia, you will find American motor cars. Another graduate took the agency for an American silk hosiery. Everyone told him he could not sell American hose in the Near East, but, in one year, he sold more than a million dollars' worth. The company gave him an automobile, with a brass plate on the radiator to show its appreciation.

America can take lead

WHAT will be the results to America of this new vital energy in the Near East and throughout Asia? To achieve the modernization it demands, the Orient will turn more and more to America for equipment, ideas, and technological guidance.

American automobiles will find in this land so backward in transportation an immense potential field. Water-power projects, like the Ruthenberg development in Palestine, will spread electrification, with its power, lighting, telephone and telegraph, and radios, throughout the Orient, creating an unlimited demand for electrical apparatus and technicians. Railroads, partly financed by American capital and built by American experts, will open up the hinterland of Turkey, Mesopotamia and Persia.

The consequent development of natural resources and the greater prosperity of the native populations will create still greater markets for American goods.

Development is accelerating

THUS a cycle of transformation is already in process whose end no one can foresee. The modern scientific civilization is both cumulative and accelerating. It grows by its own exercise, like capital put to use. The more the Orient develops, the faster it will continue to develop.

There is now taking place in the world's largest continent one of the greatest events in all history, the results of which will vitally concern the United States.

Here is opportunity for service, for commercial interchange, and for reciprocal relations which will unite to their mutual advantage ancient Asia and young America.



Newsteel Announces Newaloy Sheets

AN 18-8
CHROMIUM
NICKEL
STEEL

A timely announcement of exceptional interest to all steel sheet users alert to modern trends.

The almost unlimited uses and possibilities for 18-8 non-corrosive and heat-resistant alloy steels in present day and future products, demanded a Newsteel Sheet of such properties to meet the insistent call. So Newsteel developed NEWALOY Sheets and recommend their use with unhesitating confidence.

Constant success and satisfaction experienced by manufacturers with other types of Newsteel Sheets is a dependable indication of the high standards to expect in Newaloy Sheets.

Newaloy Sheets are here—and like all sheets of Newsteel Engineered Quality—are here to provide the right sheet for the particular product. If there are possibilities for an 18-8 alloy sheet in your product, complete data on Newaloy Sheets will be invaluable to you. Write to us for such information.

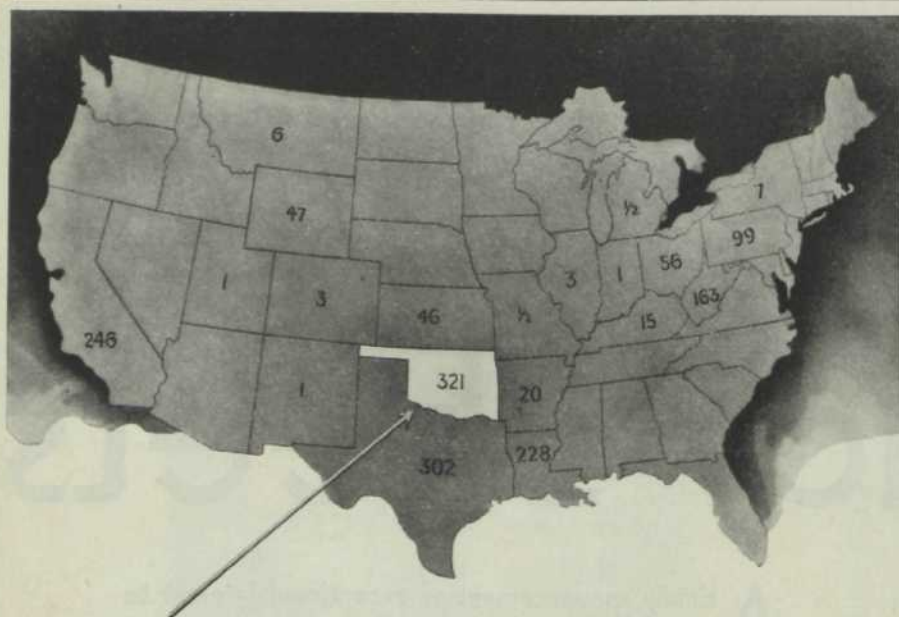
THE NEWTON STEEL COMPANY, YOUNGSTOWN, OHIO

Detroit Cleveland Chicago New York Indianapolis
PLANTS AT NEWTON FALLS, OHIO AND MONROE, MICHIGAN



The Newsteel Engineer's close personal attention and interest in your particular problem is an important phase of Newsteel NEWALOY Sheet service. It promotes successful results. Call him in.

SAVE WITH STEEL



LEADS THE WORLD *in Natural Gas*

OKLAHOMA has one tremendous industrial advantage over all other sections in the entire world; she leads the world in the production of the one ideal industrial fuel—natural gas.

The figures on the map indicate billions of cubic feet of natural gas production for 1928. Oklahoma produces 20% of the nation's natural gas, and is centrally located in a group of 5 states which account for no less than 58% of the domestic supply of this fuel.

It was this fact, combined with Oklahoma's tremendous mineral and agricultural resources, her mild climate, and her nationally central location,—which recently led one of the nation's outstanding economists to assert that this state is equalled by only two others in industrial potentialities.

Oklahoma and the Southwest are practically virgin territory for manufacturing industries, as well as constituting one of the nation's most lucrative markets. This territory merits your investigation. Our industrial department is at your service, without obligation, and will be glad to furnish general or special information of any kind.



OKLAHOMA
NATURAL GAS  CORPORATION

Tulsa.....Oklahoma City

"Serving 56 Oklahoma Cities.... One of the World's Largest Distributors of Natural Gas"

When writing to OKLAHOMA NATURAL GAS CORPORATION please mention Nation's Business

Women's New Place in Politics

(Continued from page 41)

ever, is adapted by nature for a political career. An ability to stand up under hard knocks is a prerequisite for success in politics, and as compared with men, few women have had the training to enable them to do this as yet. To a man, the blows of the political world are much the same as the rebuffs of the business world. Yet women are learning to take the knocks with a smile. As they learn to do this, their effectiveness in public life will increase.

In Congress a woman must be prepared to fight as hard for a measure in which she is interested, as any of her male colleagues. Sex is forgotten when an important bill is up for discussion. We have the advantage, perhaps, on the minor, and noncontroversial bills. Here chivalry to our sex may be a factor. But on the more important measures, a woman need expect no gentler treatment on account of her sex.

Jeannette Rankin and those of her sex who followed her in the House made the work of the present women members of Congress much easier, and what we have done, I feel sure, will make smoother the path of women elected to Congress hereafter.

If she has dependent children, a married woman will usually find a political career rather difficult. Where she can turn her children over to the care of others, her job will naturally be easier. A woman with a sick child at home can hardly give her best thought to pending legislation, or the campaign speeches which she must make.

Every woman discovers as she goes out in the political or business arena that she must learn to compromise. By that, I mean that she must learn to give up her way part of the time to have her own way another part of the time. There is nothing dishonest about that; just fair play and consideration for the other person's point of view.

Men have helped welfare work

AFTER all, women have no quarrel to pick with men on the ground that they have consistently vetoed so-called welfare legislation. Men gave us suffrage and, in state and national governments, put on the statute books many a piece of legislation for human betterment. We should be the last to deny to men the credit for giving the country much forward-looking legislation before the

WHERE RESULTS ARE
MOST CAREFULLY CHECKED
AND CRITICALLY COMPARED . . .

NATIONAL CASH REGISTER PRODUCTS SHOW THEIR MOST OUTSTANDING SAVINGS



Accounting Machine



Cash Register



Posting Machine

Department stores, banks, chain stores and other big organizations do not take for granted that equipment is producing the results promised before it was installed. Careful and critical tests and comparisons are constantly made between methods.

That is why the constant reordering of National Cash Registers and Accounting Machines by big organizations shows that this equipment meets expectations.

Lit Brothers, Philadelphia department store, first ordered forty-five National Cash Registers. Savings were so definite and substantial that they ordered fifteen more . . . then just recently another twenty-four.

Bowery Savings Bank, one of New York's largest, installed their first National Posting Machines seven years ago . . . five of them. Since then they have ordered

twenty-six more machines at different times for handling savings accounts.

New England Transportation Company first ordered two National Fare Registers for its busses in 1928. They compared results . . . ordered seven more, then another seven, then twenty-two until they now have forty-one in use on their lines.

Woolworth, Kresge, Kroger, and scores of other chains have used National Cash Registers for years. They keep checking results and keep ordering more and more registers as new stores are opened.

These are just a few instances among hundreds. Department stores, banks, manufacturers, chain stores, individual retailers, transportation lines and public utilities are finding in National Cash Register products a quick and certain way to reduce overhead and increase efficiency.

THE NATIONAL CASH REGISTER COMPANY

World's Outstanding Producer of Accounting Machines and Cash Registers

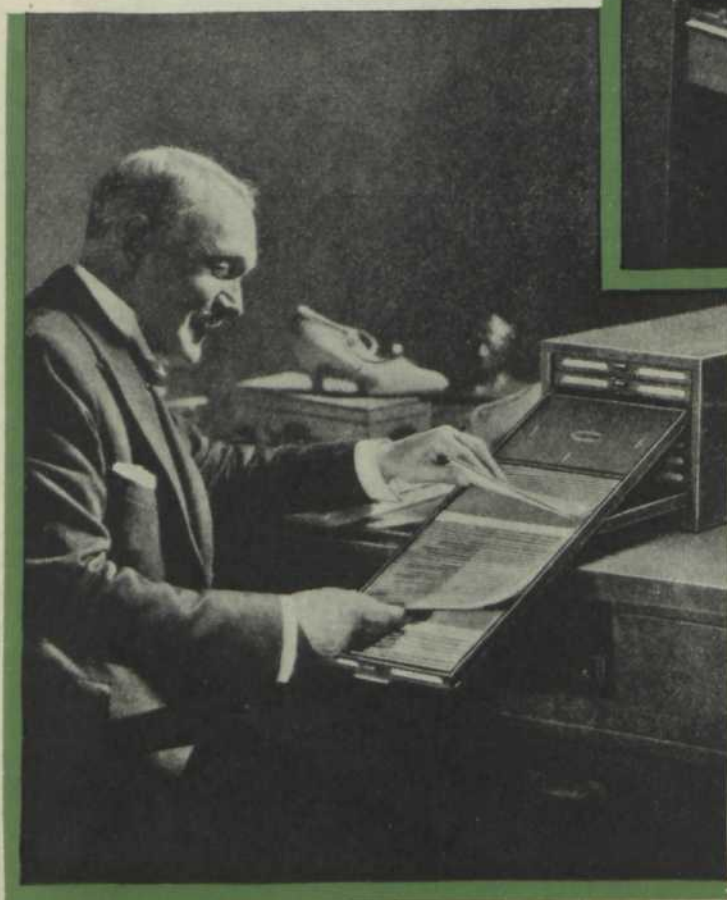
DAYTON, OHIO

When writing to THE NATIONAL CASH REGISTER COMPANY please mention Nation's Business

Three BUSINESS LEADERS

Every Salesman his own Sales Manager!

... A famous watch company telephoned to Remington Rand. "The Kardex Sales Control in our home office is showing us so many vital facts that we wish you would plan a *portable* one — by territories — for each of our salesmen." So 107 special book-form Kardex systems were provided, brought up to date with all necessary entries and delivered to the sales manager ready for use. Now each salesman in his hotel room can review his whole territory at a glance. Date of last call on a jobber. Date and amount of last order, etc. "The most valuable single help ever given our salesmen," writes the watch company to Remington Rand.



"I need a Stronger Grip on Style Trends,"

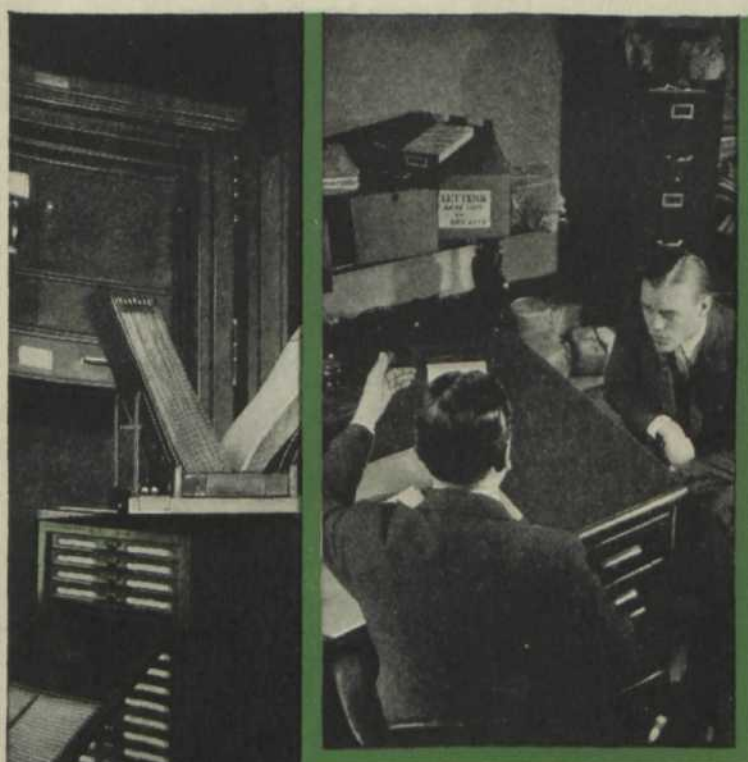
... said a nationally known shoe merchant. So a Remington Rand man made a study of his store. Recommended that the customary sales slip be replaced by a special card, clipped to each box of shoes and containing size and style data. When a sale is made this card serves as sales slip, then goes to the president's office. Here it is recorded in a Kardex Sales Control which visibly charts the trend in colors, sizes and prices. "It has helped us to increase sales 15%," says this merchant, "though we've reduced our stock materially."

discover a SALES TONIC in "Made-to-Measure" Record Systems

Results follow fast when business systems are custom-fitted to their jobs.

For the specialized problems of today cannot be solved by "canned" systems, purchased here and there. A controlling mind must develop an individual system for each business need. The examples in this advertisement illustrate clearly the advantage of calling in a Remington Rand man . . . stating the problem . . . and leaving it to him and his staff of analysts to plan the right system . . . and put it to work.

Remington Rand can "tailor-make" your business records . . . it has 1,200 items of system equipment to choose from. Ask about the new Remington Rand Budget Buying Plan. Remington Rand Business Service, Inc. Executive offices, Buffalo, N. Y. Sales offices in all leading cities.



*Merging Five Companies' Sales
Records . . . and bringing all the
facts to light!*

. . . A leading maker of automobile accessories "S. O. S.'d" to Remington Rand: "We've bought out four competitors . . . their sales records are dumped in our offices . . . can you help us unscramble them?" So a Remington Rand analyst planned a uniform Kardex Sales Control. Remington Rand indexers co-ordinated and transcribed all the sales facts. And the system was delivered complete and in working order. "I couldn't believe my eyes," said the sales manager. "Not only did this visible record give us the facts on the new companies, but it revealed opportunities for sales in our own business that we never knew existed."

Remington Rand SYSTEMS DIVISION

RAND AND KARDEX Visible Records . . . LIBRARY BUREAU Filing Systems and Indexing Service
. . . KALAMAZOO AND BAKER-VAWTER Loose-Leaf Equipment . . . SAFE CABINET Fire Protection
Devices (SAFE-CABINET, SAFE-FILE, SAFE-KARDEX, etc.) . . . INDEX VISIBLE

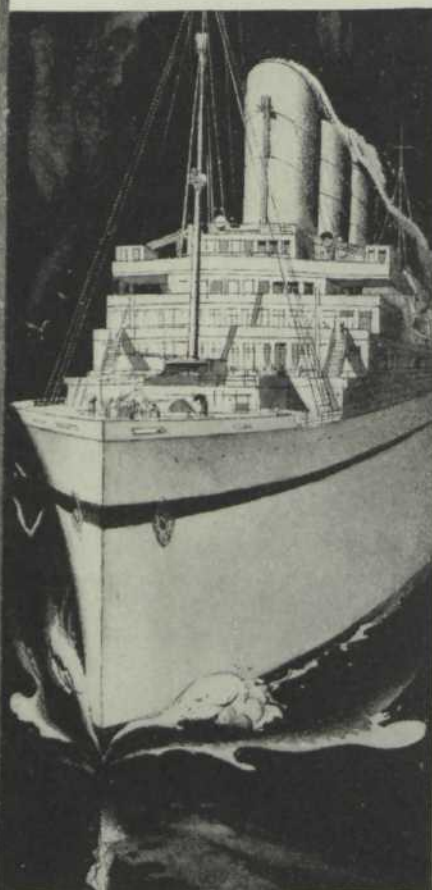
A few of Remington Rand's 1,200
items of System equipment . . .
Safe Cabinet . . . Baker-Vawter
loose-leaf ledger and rack . . .
Kardex Visible Records.

Soon... the new
**"Miracle"
 Giantess**

● On Sept. 4, the largest and fastest ship on the Pacific will steam from Vancouver to Hawaii, Yokohama, Kobe, Shanghai, Hong Kong, Manila. She is the huge new Empress of Japan, 39,000 tons displacement, 21 knots speed. She will lead Canadian Pacific's great white Empress fleet... Empresses of Canada, Russia and Asia... largest, fastest liners between America and the Far East.

These Giantesses of the "Pacific miracle" are turning Far East into Near West. They make Hawaii a casual trip... Yokohama a luxurious 10-day voyage... 3 days later, they anchor at Shanghai, gay portal of the East... 5 days beyond, Manila.

The Empress of Japan outdoes even her sister Empresses in seagoing luxuries. Her large swimming pool is tiled in green and black marble. Her regal bedroom-drawing-room-bath suites open on private verandahs. Her expansive sports deck has its adjacent cafe. Lifts, telephones, pier-glass mirrors, inlaid teakwood floors, club-like lounges and children's play-cottage... all make her a perfectly-equipped holiday resort with service and cuisine in the New York-Paris manner... with extra-com-



The new Miracle Giantess will lead the great white Empress fleet

fortable second-class accommodations.

Speed to the Orient either via Hawaii, the paradise route, or direct across to Yokohama from Victoria and Vancouver. Ask about reduced first-class round trip Summer Fares to the Orient. Also about All-Expense Escorted House Party Tours to the Orient, \$715 up.

Information, reservations and freight inquiries from your own agent or any Canadian Pacific office: New York, Boston, Philadelphia, Washington, Chicago, Montreal, and 29 other cities in the United States and Canada.



Passing troller-junks of the Yang-tze-kiang

TO THE

Canadian ORIENT Pacific
 WORLD'S GREATEST TRAVEL SYSTEM

equal suffrage amendment was adopted.

Women voters are perhaps a bit more ready to stay with a candidate than men are. They are likely to have greater enthusiasm. Given a certain political task they do it as conscientiously as men, or even more so. As a doctor once said of woman nurses, a woman stays with her baby as long as the baby needs her care. Women tend to regard tasks assigned to them as their babies and do not leave them until they outgrow them. They have, too, a lighter touch; but to balance this, men can stand up against harder knocks, and sharper criticism than can women.

The American woman's interest in the business side of Government will, I believe, continue to grow. Women are bound to feel that the spending of the nation's money is of real concern to them, and is something about which they are peculiarly fitted to speak with authority. It is all very well to have idealism in running the United States Government, but unless that idealism is coupled with practical business methods, the people of America would have to pay heavily for some one's beautiful vision.

The American woman of today has idealism, but she also has a practical business sense. She brings both with her into politics.

Post-Mortem Findings in Bankruptcies

A BUSINESS firm or individual business totters. Bankruptcy follows. Creditors lose huge sums. Last year \$650,000,000 went overboard in this manner. Why?

A study, just concluded, made by Yale University and the United States Department of Commerce, acting jointly, of the causes of bankruptcies in the State of New Jersey, selected by the investigators as typical for "clinical purposes," reveals at least some of the causes. Listed under three separate heads (personal, business methods employed and credit) they appear to be:

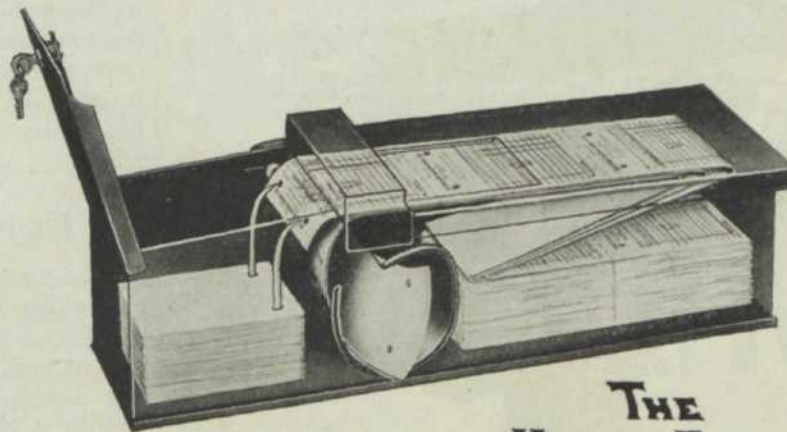
1. Illness, accidents, living beyond personal means and poor business training.

2. Lack of knowledge of bookkeeping systems, of value of inventories and the rule of turnover.

3. Improper extension of credit. The study further revealed that 75 per cent of bankruptcies in New Jersey last year were preventable.

UARCO

BUSINESS SYSTEMS



THE
UARCO-FILER
Phantom View

the "inside story" of record protection

This phantom view shows at a glance why the Uarco-Filer gives real record protection—along with accuracy, speed and convenience.

With this remarkable new business machine there can be no tampering or changing of figures—no lost tickets—no misplaced pads or books—no misreading of figures in posting.

These four costly risks are eliminated by this modern method—because the ORIGINAL ticket is locked up the moment the record is written—away from everyone except the person who holds the key.

Write your tickets—then turn the handle. Out come the carbon copies—into the locked protection goes the ORIGINAL, where it is cut off and filed flat in numerical order—ready for immediate checking or posting.

It's speedy and convenient, too. Drop in a Uarco-Pack of tickets, thread the carbon paper and close the lid. Then for 400 sets of tickets there's nothing to do but write. No carbon to handle. No fussing or hunting for pads or books.

Look into this form of protection for YOUR records. Others in your line of business have found real record protection.

May we send you a Portfolio showing "how the other fellow does it" in your line of business? Full information on the Filer—and chock full of sample forms used by others in your line.

No cost or obligation. Just fill in and mail the coupon.

UNITED AUTOGRAPHIC REGISTER CO.
Factories: Chicago, Cleveland, Cincinnati and Oakland
Branch offices in all principal cities.

send this coupon!

Uarco, 2316 W. 43rd St., Chicago, Ill.

I'm interested in record protection. Without cost or obligation, send me the Portfolio.

My Name.....

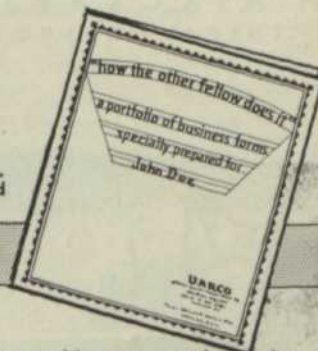
Firm Name.....

LINE OF BUSINESS.....

Address.....

the big portfolio is free

When writing to UNITED AUTOGRAPHIC REGISTER CO. please mention Nation's Business



SPARTAN



Ready at a moment's notice

WHENEVER there are important engagements and many widely scattered cities to visit, there is no substitute for the speed and economy of air travel. To the executive every business hour has its actual monetary value, and the airplane is the only means of travel that allows him to collect an added premium on his time. ¶ The Spartan cabin monoplane is particularly suited to the exacting needs of business men. It has ample room for four persons and their luggage. Its Wright Whirlwind engine gives it a speed of 130 miles per hour, a cruising range of 615 miles, and it is as easily landed on the small private field as on the airport. ¶ For mile after mile a Spartan will fly itself without your help at the controls. And, quite as surprising, its cost of operation is only slightly more than that of the average motor car. ¶ Whether you are considering a plane for business or sport, a cabin or an open biplane, there is a Spartan model to fit your requirements. And . . . regardless of where you live . . . a demonstration by a factory representative can be arranged without obligation. Write Department NB for catalog in full colors showing all Spartan models.

SPARTAN AIRCRAFT COMPANY
TULSA, OKLAHOMA



The Spartan cabin monoplane is powered with the Wright Whirlwind Seven. Standard equipment includes dual controls, metal propeller, booster magneto, electric starter, complete instrument panel, oleo gear, Bendix wheels and brakes, adjustable stabilizer, navigation lights. Spartan biplanes, fully equipped, are offered with the choice of either the 5 or 7-cylinder Wright Whirlwind engine.

When writing to SPARTAN AIRCRAFT COMPANY please mention *Nation's Business*

The Government Is Not a Business

(Continued from page 38)

Department of Agriculture kept peeping through microscopes and shaking test tubes until he found a cure for hog cholera. It meant tens of millions of dollars a year to the taxpayers who were his employers, but it brought him no reward.

Big jobs and little pay

THE cottony cushion scale was eating up the orange trees of California. On a hunch a government entomologist went to Australia, found a variety of ladybug with an appetite for the scale, brought it back to California, bred a trillion of it. It ate the enemy and as a result oranges ride over the Rockies in countless refrigerated train loads every year.

But the scientist is probably still working for \$2,600 a year. The man who introduced cold-resistant and drouth-resistant wheats into the Great Plains area, adding vast sums to the national income, received no reward. It would be different in business.

There are elements of weakness and elements of strength in the operation of this vast noncompetitive, administrative agency that is the Government. There are doubtless great wastes. Government is not necessarily different from business and industry in that respect. There are undoubtedly stupendous profits.

Unmeasurable service

IN ITS campaigns for simplification of manufacture it may well be that the Department of Commerce has saved enough money to run the entire Government. In its development of a national park system the Department of the Interior has built up a heritage for posterity that will endure through the centuries. In its contribution to the banishment of yellow fever, typhoid, malaria, the Public Health Service has saved a million lives.

In its facilitation of communication between people anywhere and those anywhere else, the Post Office Department has banished the barriers of distance. In its administration of a Pure Food Law the Department of Agriculture has placed a guard at the door of the national stomach. Everywhere there is service that is beyond the sort of measuring that may be set up by the yardstick of profit and loss.



TULSA

LOGICAL DISTRIBUTING
POINT FOR SERVING
THE SOUTHWEST

LOGICAL MANUFACTURING
POINT FOR SERVING
THE NATION

Why You Should Choose Tulsa — in the Southwest

..... *Because* as Babson recently said, the industrial future of every one of our 48 states will be determined by one word, "Power"—and Tulsa is the leading fuel production center of the entire world, leading all other centers in natural gas and petroleum, and practically equaling any other in coal.

Because nearness to raw materials is the second basic principle in locating industries, and Oklahoma, with slightly over 2% of the nation's area, has 10% of its mineral production and nearly 3% of its agricultural production.

Because Tulsa is a major transportation center in the Southwest, with exceptional rail, highway and air transportation facilities.

Because Tulsa is strategically located as a distributing point, 125 to 300 miles nearer to points of origin in the North and East than other major distributing centers of the Southwest.

Because Tulsa serves a 5-state market of 13 million people with buying power of over 6 billion dollars annually, and this market is virgin territory for manufacturing industries, with 10% of the nation's population but less than 2% of its manufactures (not counting oil refining).

Because Tulsa has plentiful, intelligent labor finest water, delightful year-round climate, fine schools, ideal living conditions generally.

Because the \$1,000,000 Tulsa Industrial Finance Corporation has been founded to aid new industries financially.

Tulsa has reached 141,000 population in record time, is now 56th city in size, but 12th in number of buildings over 10 stories high. Our 100-page Industrial Survey tells a story of importance to every industrial executive. Mail the coupon for a copy.

Mail This
Coupon

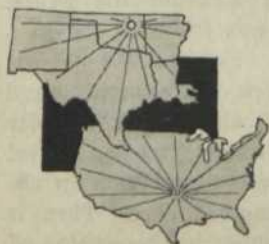
Industrial Commissioner,
Tulsa Chamber of Commerce,
Dept. N, Tulsa, Okla.
Please send me, without obligation, your new
Industrial Survey.

NAME _____

FIRM _____

STREET _____

CITY _____ STATE _____



TULSA

Logical Distributing Point for the Southwest —
Logical Manufacturing Center of the Nation

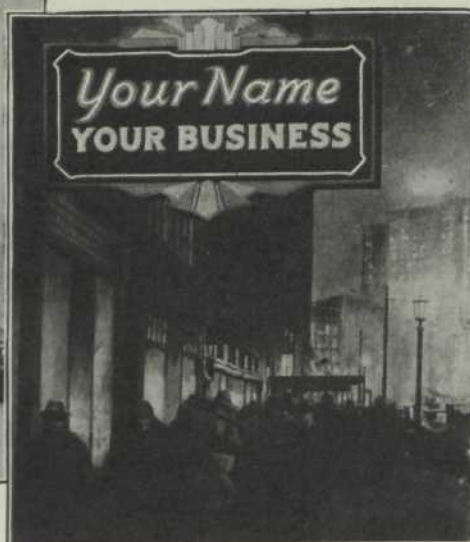
WET or DRY . . .

A Flexlume Electric carries the *who, what and where* of your business to more potential buyers . . .

. . . *Day and Night*



Ideal is the Flexlume combination of beautiful raised glass letters with the vivid red, blue, green or other colors of neon letters and borders. White letters for day and night clear reading . . . brilliant neon for color attraction.



Goodyear uses brilliant letters of red Flexlume neon and clear-cut raised glass to bring customers to dealers' doors.

COMPEL the widest public notice of your business and location. Impress people more favorably and more continuously with your progressiveness—use a Flexlume day-and-night display.

Nothing builds prestige for the modern business like the striking Flexlume combination . . . clear-cut raised glass letters, illuminated from within . . . enhanced by flaming, colorful features of Flexlume neon tubing . . . effective advertising, right at your door.

"Our Flexlume combination electric", a Goodyear dealer writes, "is by far the most refined and effective in the city, and readable at a distance of over a quarter of a mile. As a sales producer, it is the best investment we ever made."

Flexlume's finer construction and exclusive features assure continuous effectiveness . . . million-dollar financial responsibility assures dependable service.

Let us submit color sketch, without obligation, of a specially designed display for your business and location. We will also tell you how you can secure this electrical advertising on a monthly rental basis. FLEXLUME CORPORATION, 1085 Military Road, Buffalo, N. Y. For Canada, 1074 Queen St., E., Toronto, Ontario.



When writing to FLEXLUME CORPORATION please mention *Nation's Business*

A Report on the Article Industry

(Continued from page 32)

called, by appointment. As he entered the man's private office, an employee entered by another door and silently laid a pile of yellowbacks on the desk in front of the man to be interviewed.

"You don't want *me*," said Bill, and backed out again.

Once when I was on a western trip an old friend came to me and said, "If you get my boss into the *American Magazine* you can fill out a check over his signature." I declined the offer.

There are several aftermaths to article writing. First comes the check the size of which is determined in part by the circulation of the magazine, in part by the length and desirability of the article and in part by the "name" or "audience value" of the writer. At times this audience value becomes almost nil because the writer is asked to do a "ghost" job in which some famous person appears as the author. But the tendency among editors is to pay "ghost writers" well for suffering submergence.

This matter of rewards

ANOTHER aftermath of article writing comes under the heading of "rewards." Sometimes a writer places an article which really does some good to a worthwhile group or individual and the ensuing letters of appreciation are filed away—to be reread on blue Mondays when the mail is cluttered up with returned manuscripts.

Then there is the unacceptable reward. One of the most successful freelance article writers crossed the Atlantic with an oil magnate about whom he had written an article. The magnate complimented the writer for his piece of faithful portraiture. A few hours later a messenger brought a sealed envelope from the magnate to the writer's state-room. The writer opened the envelope, pulled out a crisp thousand-dollar bill, put the bill back in the envelope and returned bill and envelope to the magnate with the message, "I am paid only by my editors."

That episode was, for the writer, painful but he was following the freelance code.

In keeping track of my overhead and income I can tell which articles are, for me, profitable. In about 50 per cent of the cases the work of preparation absorbs the final payment check. There is a lot of lost motion in the writing of

articles. Only in the millenium will article writers work exclusively on orders, unless they choose to become staff writers.

A staff writer on a magazine is one who writes, usually, only for that magazine under some guarantee of minimum income. He holds his job only as long as he can assist the editor in finding and perfecting ideas that click without ensuing libel suits. The game is getting tougher for free lances because many editors are highly staffed. At least two editors of my acquaintance cannot keep their staff writers busy.

Yet, by averaging 50 selling letters a week, traveling by train, airplane or motor car about 10,000 miles annually, reading during my nonwriting hours; writing about six hours a day, and producing 50 articles a year I am able to keep one jump ahead of the tax collector. Yet I know that I follow a foolish calling because my income is entirely dependent on my own efforts, and my business is not cumulative.

Nearly two years ago I met Harry Staton, newspaper syndicate major-domo, in a club to which writers, editors and artists are addicted.

"How's your business, Harry?" I inquired.

"Rotten," he admitted, brushing a fly from his bald dome.

"My business is not so good, either," I confessed.

"What's your business?" he asked politely.

"The article business," I promptly told him.

"That isn't a business, it's an error," the syndicate major-domo answered.

To quit or not to quit?

OF COURSE I know that nothing but an error in judgment keeps me plugging away at articles. Ever so often I decide to go back into something legitimate. I know that the past few years' experience have equipped me for a bang-up merchandiser.

Why, just putting over the biography of a General of Industry compelled me to sell five editors and the General, to enlist the active and constant cooperation of three private secretaries and four department managers and to keep all parties interested and satisfied during and after I had solved a fabricating problem in which 40,000 words were put together properly.

At this moment I am seriously considering becoming the vice president and eastern manager of a first-class advertising agency. But I doubt if anything comes of it. About the time I am ready to accept I'll get an order for an article.



WHEN CONSIDERING HAZARDS CONSIDER DUST

Menace to Men,
Machines,
Materials,
Now Controlled

Plants and buildings protected by insurance, sprinkler systems, burglar alarms, armored trucks, thief-proof fences, night watchmen, flood lights, all directed against the hazard that comes once in a life time—or never. And rightly so, because *when* the hazard comes, preparation pays. But what about the hazard that comes every day? DUST—spoiler of product, thief of good will, mortal enemy of machinery, sapper of efficiency. You can eliminate dust with modern air filters.

One of the greatest tests of efficiency of air filtering apparatus is in food manufacturing plants,

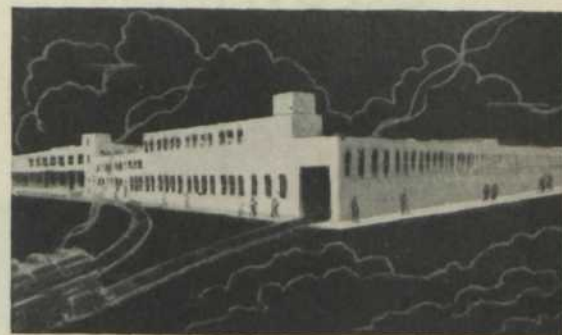
AMERICAN AIR FILTERS

COMBINING PRODUCTS FORMERLY MANUFACTURED UNDER THE FOLLOWING TRADE MARKS:



FREE LITERATURE

Read our bulletins on subjects affecting your business and other activities. Mail the coupon. No obligation.



Air Filters Prevent Bacteria in Largest Gelatine Plant

where the prevention of foreign matter and bacterial contamination is essential. The general superintendent of the U. S. Gelatine Company, users of American Air Filters, reports in a survey by the A. C. Nielsen Company: "It is doubtful if we could have maintained our present volume of business if we had continued to use unfiltered air. Whereas we had little control over contamination, we can now assure users of a uniformly clean gelatine." Air filters can effect just as important improvements, business increases, savings and efficiency levels in your interests. AMERICAN AIR FILTER CO., Incorporated, Louisville, Ky.

American Air Filter Company, Incorporated,
151 Central Ave., Louisville, Ky.

Please send literature explaining the applications of modern air filters. Use in which particularly interested

Name _____
Street _____
City _____ State _____

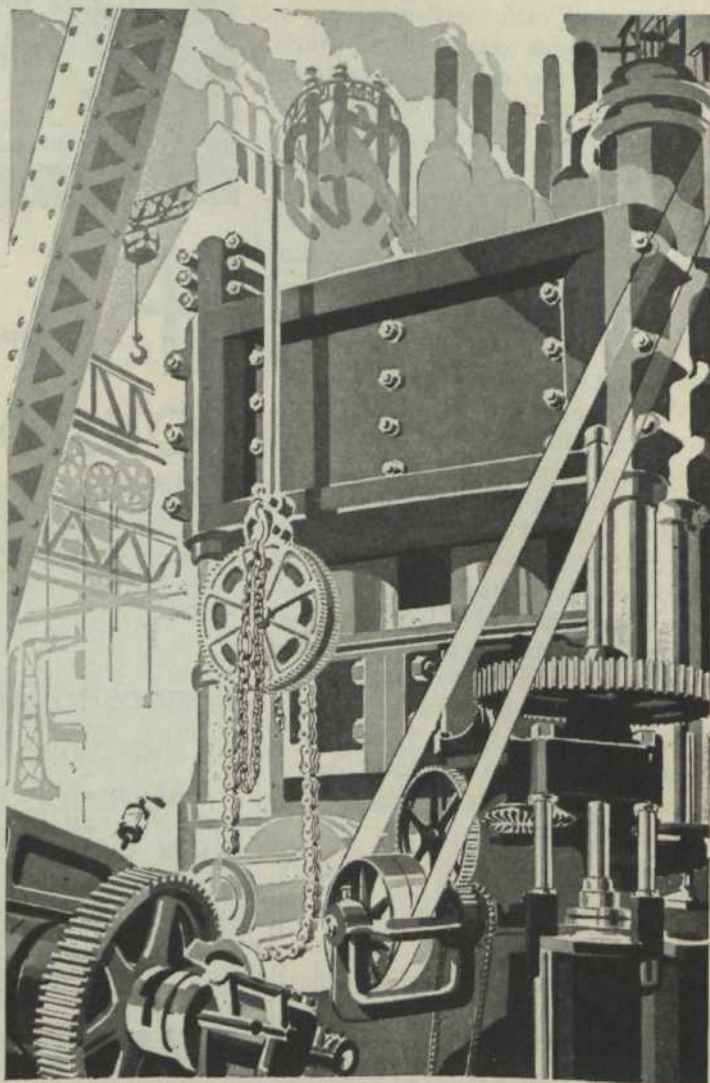
When writing to AMERICAN AIR FILTER CO., INC. please mention Nation's Business



BANKERS TO
INDUSTRY
EVERYWHERE

MACHINERY
AND
EQUIPMENT

SOLD ON CREDIT—FINANCED BY C. I. T.



THE C.I.T. Group of Finance Companies has perfected Sales Financing Plans covering many kinds of machinery and varied types of other income-producing equipment regularly sold on deferred payment terms.

If you make or sell equipment you owe it to your own profit and loss account to have a C.I.T. representative go over your present arrangements for handling time sales.

Time sales can and should be made to yield your regular net profit. Leading firms are using C.I.T. finance service to provide the long term funds needed, but more especially to have the C.I.T. organization with its nation-wide system of local

offices attend to those credit and collection details which are vital to successful credit selling.

C.I.T. also finances the sale of aircraft, automobiles, electric appliances, furniture, heaters, radios, refrigerators and many other products.

Subsidiary and Affiliated Operating Companies with Head Offices in New York • Chicago • San Francisco • Toronto • London • Berlin • Brussels • Paris • Copenhagen • Havana • San Juan, P. R. • Buenos Aires • Sao Paulo • Sydney, Australia. Offices in more than 160 cities.

**COMMERCIAL INVESTMENT TRUST
CORPORATION**

Executive Offices

One Park Ave., New York

CAPITAL AND SURPLUS OVER \$100,000,000

What Wall Street Is Talking About

By MERRYLE STANLEY RUKEYSER

ALTHOUGH professional Wall Street always purports to find a plausible rational basis for the prevailing course of the stock ticker, business conditions in reality are never so good and conversely never so bad as stock prices indicate at the peak of a bull market or the trough of a bear market.

The fatal delusion of speculators is that existing tendencies will go on uninterrupted. Nothing could be farther from reality. As a matter of fact, business rarely remains on an even keel; it is usually in the dynamic state of getting worse or getting better. Although the stock market is supposed to be guided by an omniscient eye which gazes into the crystal ball and reads the future, the market frequently goes wrong. It usually has a tendency to overemphasize the immediately visible trend.

Curiously enough, in the recent wave of pessimism, there has been a widespread tendency to have more faith in the prognosticating ability of the market when it is weak, than when it is strong. Of course, the market is always attuned to the dominant mood, for it responds to the hopes, dreams and belief of the collective financial mind.

The batting average of the stock market as a business forecaster has been low in the past 12 months. Although business prosperity attained a peak in June, 1929, and then began to taper off, almost imperceptibly at first, the stock-market averages continued to rise through the late summer and did not reach a summit until September 3. Then for a time the market moved almost sidewise, with a gradually lower tendency until October when the rate of decline became greatly accelerated, with the resultant debacle late in October.

After failing in the late summer to discount the fact that business was facing a serious downward readjustment, the stock market made a premature attempt to anticipate the return of prosperity in the rise extending from January to about the middle of April.

The post-panic buying was of a high and discriminating quality until about

February 1, and then the nature of the buying greatly deteriorated in quality, as careful observers were able to detect at the time by a close reading of the weekly brokers' loan totals in relation to stock-price movements. This prolonged premature rally, which was predicated on the surmise that the trade recession would be short-lived and that a robust spring recovery was in the offing, also proved to be ill-timed.

THE sharp collapse of stock prices early in May and again in June represented widespread disappointment because business recovery had not been as substantial as hopeful stock buyers had anticipated. The secondary series of liquidations resulted from a renewed mass movement to get out of stock commitments simultaneously. Sustained selling for a prolonged period not only impaired marginal accounts in brokerage offices, but also reduced the leeway of safety in collateral loans held by banks for their own customers.

Accordingly, the speculative phenom-

ena of last autumn were repeated, with additional forced selling being cumulatively caused until, gradually, speculatively held stock passed from the hands of weak and timid holders, who operated largely on borrowed funds, into the hands of powerful interests with stronger nerves who operated to a large degree on their own capital.

The excesses on the selling side constituted the obverse phase of the extravagances on the buying side before the late lamented bull market collapsed. No attentive reader of financial history expects a public which is subject to vast excesses on the bull side to show finesse and perfect discrimination on the bear side. It is apparently the rule of the market place for the pendulum of prices to swing to extremes.

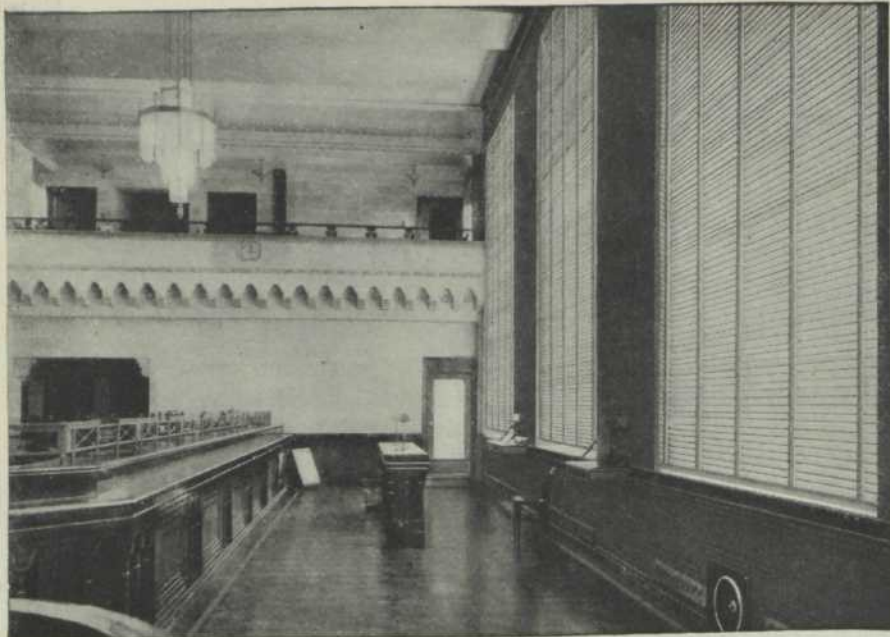
As a matter of fact, studies by the New York Stock Exchange indicate that the investor class, in swapping stock back and forth with the speculator class, usually gets the better of the bargain.

The investor merely makes naïve analyses of when stocks seem cheap in relation to long-term average earnings,



ROBERT A. WOOD

★
ROBERT A. WOOD, who was reared "back o' the yards" in Chicago, has been elected to his fourth successive term as the president of the Chicago Stock Exchange. During his administrations the Chicago Exchange has grown from a sectional to a national securities market



SOFT LIGHT—no glare; VENTILATION—no drafts

Save Window Equipment Costs

with **VICTORIA**

VENETIAN BLINDS

THE records of a well known building show an expenditure of \$88.40 per window for window equipment (two sets of shades and six sets of awnings) over a period of 12 years, or \$7.37 per window per year!

The owners have recently installed Victoria Venetians which are good for many years to come with little, if any, additional cost for upkeep.

These better blinds not only save money but they result in better light, greater comfort, faster work. Thousands of buildings—offices, banks, apartments—throughout the country have been made more attractive and more livable with Victoria Venetians. Fully guaranteed. Send for booklet on better daylight control.

THE BOSTWICK-GOODSELL CO., Norwalk, Ohio
BLINDS SINCE 1894
REPRESENTATIVES IN PRINCIPAL CITIES



VICTORIA VENETIANS

The Better Blinds

When writing to THE BOSTWICK-GOODSELL CO. please mention Nation's Business

dividends, and assets, and he buys and sells accordingly. The speculator, on the other hand, fills his mind with more sophisticated patter, which happens currently to be in vogue around brokerage offices and in the gossip columns.

The amateur speculator suffers less from lack of knowledge than from knowing so much that is not so. The scientific investor concerns himself less with esoteric matters and buys and sells pretty much in accordance with changing price-earnings ratios.

In commenting on the tendency to overemphasize the immediately visible business news, Sir Josiah Stamp, leading factor in the formulation of the Dawes Plan and the Young Plan, on the eve of sailing back to his homeland, offered this sagacious observation:

"I do not see any necessity for stock panic . . . stock-exchange values should not depend upon an immediate outlook, but on a long-distance outlook, and the long-distance outlook seems certainly to be as good as ever."

I CANNOT see any statistical evidence that the setback in business is more than the conventional depression phase of an ordinary business cycle. The attempt to spread the view that the country is in the midst of an unusually prolonged period of shrunken business activity originates from a desire to exploit the bear side of the stock market, and the idea gets around in the minds of those who are dominated by unreasoning fears.

As a matter of fact, some competent readers of the business indicators think that business has been doing about as well as could be expected in the circumstances. The misfortune lay in the fact that political forecasts, originating in Washington, promoted unjustified hopes for near-term business. The conspiracy to be optimistic irrespective of the facts proved the undoing of some who believed the Pollyannas.

Business really has picked up some from the December low point, but the gains have been entirely seasonal in character.

IRRESPECTIVE of the immediate trend, I have not lost faith in the long-term capacity of the new and highly complex American business civilization to function smoothly and profitably.

I have confidence in the ability of American managerial genius to work out of the present transitional periods and into a new and profitable era.

I believe in the fruitfulness of American research laboratories, which have

Investing in the Insurance Field



THE insurance business in this country has grown consistently in every year for the past quarter of a century. It has grown approximately fourteen times faster than our population and bids fair to continue a rapid growth for many years to come. Insurance securities generally are characterized by fundamental soundness, inherent stability and a remarkable record of growth in assets, earnings and market value.

An investment in 1920 of the same amount of money in shares of each of a well diversified list of 35 leading insurance companies and maintained through the exercising of subscription rights, would have produced an average annual yield from dividends of about $7\frac{3}{4}\%$ and an average annual appreciation of about 31%—a total of $38\frac{3}{4}\%$ yearly.

United Founders Corporation has important investments in the insurance

field, representing a wide diversification. Its holdings give it an investment interest, directly or indirectly, in the business of 60 established insurance companies.

United Founders is also interested extensively in the electric light and power industry and in other fields. It has a diversified portfolio of securities and controlling stock interest in American Founders Corporation. The latter interest not only represents an investment in the operations of a long established and successful group of investment companies, but assures United Founders the continuing service of an extensive economic, analytical and research organization.

DECORATIONS BY ROCKWELL KENT

CUT IN WOOD BY J. J. LANKES



UNITED FOUNDERS CORPORATION

◀ This advertisement is the fourth of a series outlining the investment activities of United Founders Corporation ▶



The Securities of Ohio Corporations

which include those of many companies that are vital factors in the great industrial structure of the United States, have attracted investment capital from probably every state in the Union.

We have maintained for years, in our Cleveland office, an Ohio Securities Department, devoted exclusively to Ohio securities, listed and unlisted, which is now being used by investors in all parts of the country. It is supplemented by offices in Cincinnati, Columbus, Toledo, Canton, Massillon and Akron, Ohio, private wire connections and memberships in the Cleveland, Cincinnati and Columbus Stock Exchanges. Through this department we offer a highly specialized service in Ohio securities.

OTIS & CO.

Established 1899

NEW YORK CLEVELAND CHICAGO

Members New York and other leading Stock Exchanges

JOHN HANCOCK SERIES

A Partner's Obligations

EACH partner owes to his associate the assurance that business can be continued indefinitely, unhampered by lack of working capital or credit. The death of either is a contingency that would bring up this question. At the same time, he owes it to his dependents that, in case of his death, their interest in the business can be liquidated, as required by law, without bother or loss.

Unless the business has a large fund of ready money at that time, these dual obligations conflict. May we tell you how Business Life Insurance can be used in such cases for the benefit of all concerned? Address:

INQUIRY BUREAU

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

197 Clarendon St. Boston, Mass.

Please send information regarding partnership life insurance.

Name.....

Address.....

N.B.
OVER SIXTY-SEVEN YEARS IN BUSINESS

Scott's Creeping Bent for Perfect Lawns!

Sod in six weeks. A rich, velvety stretch of lawn that chokes out weeds before they can grow! A deep, thick, uniform turf that's everlasting and that makes your home a beauty spot.

The New Super-Lawn

Instead of sowing seed, you plant sods or the chopped grass—and in a few weeks you have a luxuriant lawn like the deep green pile of a Turkish carpet. Read all about this unusual grass in our illustrated booklet "Bent Lawns." Mailed on request. Fall is the best time to plant.

O. M. SCOTT & SONS CO.
388 Main Street, Marysville, Ohio



The Results of Price Fixing

CRead what happens when Governments attempt to control commodity prices

THE SEPTEMBER
NATION'S
BUSINESS

wedded science to business, and which are perpetually finding new and better products, which tend to make the public dissatisfied with what they have.

New products, new inventions, better and more economical ways of making the older commodities, and a new enthusiasm for abolishing poverty by making the good things of life available to a larger public—these high spots suggest the road to a revival of prosperity in the future.

THE SETBACK in business and in speculation belies the claim that either political party has a monopoly on prosperity. Prosperity is nonpartisan in character, and springs primarily from economic, rather than political causes. Parties can injure business through unwise measures, but they can contribute only a minor push to the forces making for affluence.

And yet there is a human tendency to credit the "ins" with responsibility for prosperity and adversity. Hard times make for political discontent, and give the "outs" new hopes and improved prospects.

DON'T WORRY too much about Wall Street, which has shown that it has a sense of humor.

At the annual meeting of the Bond Club, it took time off from gloomy trading to satirize its own foibles and shortcomings. Under the capable editorship of Jacques Cohen, broker, the Club sponsored "The Wall Street Mews," a typographical parody on one of the nation's foremost tabloids.

THE MOST experienced judges think that cheap money will prove the tonic which will gradually improve the business situation. It is only slowly working in that direction. As a matter of fact, all the fundamentals for better times are ready. Only a return of confidence is needed.

Time, of course, is on the side of recovery, for, inasmuch as production has fallen off distinctly more than consumption, the people have been gradually eating into accumulated stocks. New shortages are in the making in numerous lines. Even where statistics show huge surpluses of raw materials, the oversupply is more apparent than real.

The accumulation in the hands of producers reflects the excessive caution on the part of dealers, who will not pile up stocks to any degree. They are undersupplied and, as soon as confidence

returns, they will rush to replenish stocks.

Another invisible factor is building up business for the future. When business turned downward last year, there was an unusually heavy inventory in the hands of consumers, who had anticipated their future requirements by acquiring goods on the instalment plan. Such goods are now in the process of being used up, and a new pent-up demand is accumulating.

A QUESTION which is raised anew during each financial storm is who buys stocks during interludes of great market weakness. Such buying comes mainly from three sources:

First, from short sellers, who take profits by reacquiring stock previously sold but not owned.

Second, from support-buying by banks and financial groups, such as the consortium which functioned last autumn; such buying is temporary in character and is primarily intended to keep liquidation orderly.

Third, investment buying on the part of large and small bargain hunters, who wait patiently for purchasing opportunities which they feel come whenever there is excessive competition in selling.

Investment buying and bargain hunting constitute the most significant form of purchases, but is usually done on a scale downward without aggressively affecting the market tides at first.

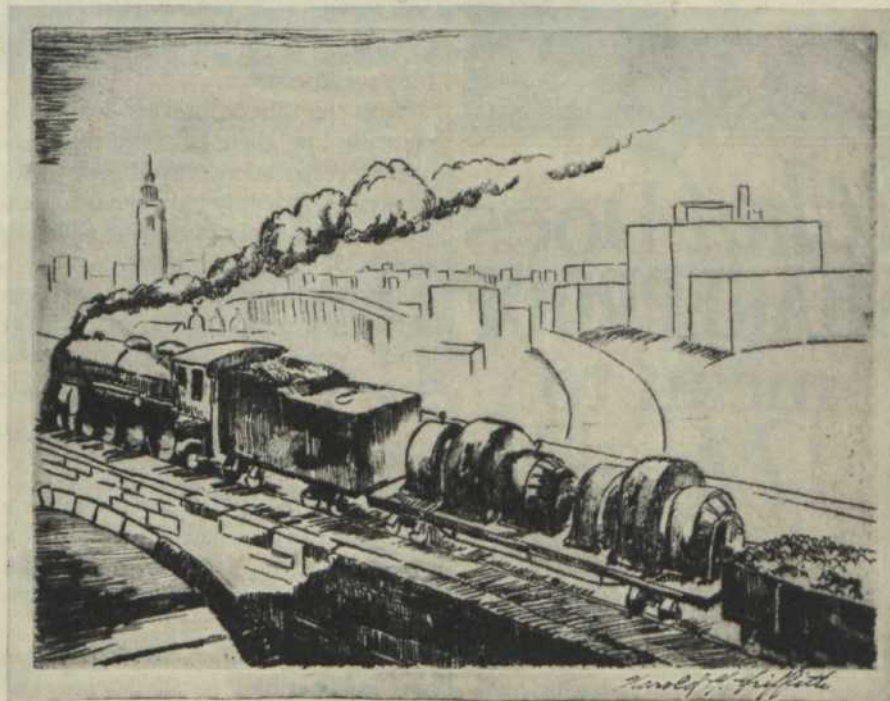
WADDILL CATCHINGS, on his retirement as president of the Goldman Sachs Trading Company, one of the symbols of earlier bull-market psychology, told me that he thought that business, after dragging along, would show distinct improvement in the fourth quarter of the year.

Given time, he believed that cheap money would bring a revival of prosperity, just as dear money last year checked expansion.

CLARENCE M. WOOLLEY, head of the American Radiator Company, who was one of President Hoover's closest advisers at the White House conferences in November, is seeking to put into practice in his own company the principles publicly advocated at the union between government and business.

Suffering from the decline in residential building, the American Radiator Company, determined to fight conditions, has inaugurated a widespread selling drive to induce the owners of

IF YOU WANT LOWER FREIGHT RATES



CLEVELAND, midway between New York and the Mississippi, gives minimum mileage for freight shipments in the world's richest industrial area. Every major decision of the Interstate Commerce Commission emphasizes this advantage. Mileage today is the largest single factor in calculating haulage cost. ¶ Cleveland's position on the Great Lakes assures water freight handling of package and bulk shipments at the lowest rates known in the United States. As the center of a 500 mile circle the rim of which includes Montreal, New York, Norfolk, Chattanooga, St. Louis and Davenport, Cleveland offers manufacturers and shippers a haulage saving that frequently means the difference between purchase of their goods and those of a competitor. ¶ For specific data regarding this and the other nine prime cost factors in business, write this Bank. © G. T. Co.

GUARDIAN TRUST COMPANY CLEVELAND, OHIO

RESOURCES MORE THAN \$165,000,000

When writing to GUARDIAN TRUST COMPANY please mention Nation's Business



What Does SHAKEPROOF mean to You?



Type 12
Internal



Type 11
External



Type 15
Countersunk



Type 20
Locking
Terminals

U. S. Patents
1,419,564
1,604,122
1,687,954
Other patents
pending.
Foreign patents.

SHAKEPROOF

Lock Washer Company
{Division of Illinois Tool Works}
2537 N. Keeler Ave., Chicago, Illinois
"It's the Twisted Teeth that Lock"

IF you are a manufacturer, Shakeproof means a sure way of overcoming many serious problems. Hundreds of products today, including automobiles, radios, electrical appliances and many, many others are giving greater satisfaction than ever before because they are Shakeproof equipped. Wholesalers and dealers everywhere testify that this locking principle does prevent loose connections—the greatest cause of faulty performance.

When every nut and screw is turned down on a Shakeproof Lock Washer they cannot shake loose. The twisted teeth bite into both the nut and work surface and the greater the vibration the tighter they hold.

Test Shakeproof Lock Washers on your own product. See for yourself what a great protection they are against costly customer complaints. Free samples are furnished on request—send for a quantity today!

16,000,000 homes with obsolete or inadequate heating equipment to modernize their heating appliances.

M. J. Beirn, vice president and general sales manager, informed me that initial results of the campaign were gratifying, and indicated that sales of the company to this important new market alone would constitute a satisfactory volume for the year.

CHEAP MONEY has been gradually ridding Wall Street of the evil of bootleg lending, which last year caused such widespread concern.

With the rate on brokers' loans subnormally low, there has been no incentive for corporations, investment trusts, trustees, and wealthy individuals to compete with the banks in making advances against collateral to brokers.

Accordingly, such loans have been shifted back on to the shoulders of the banks, which have greatly increased their collateral loans since the beginning of the year.

THE WORLD-WIDE decline in commodity prices has had the effect of increasing Germany's real financial burden ten per cent since the Young Plan was formulated.

As a matter of fact, recent deflation has been harmful to all debtors, and has, conversely, tended to help creditors.

IN THE speculative excitement, little attention was paid to the distinctly constructive character of the Supreme Court decision which unanimously reversed the interpretation placed on the Hoch-Smith Resolution by the Interstate Commerce Commission.

The Resolution was intended to make railroad rates adjustable to help agriculture and other depressed industries. The railroads, under the Resolution, were elected to become balance wheels of prosperity, irrespective of the effect of their sacrifices on their own well-being. The Resolution was used as an excuse for gradually whittling down railroad rates, thus tending to impair railroad earning power and credit.

The Court held that such an interpretation of the Resolution is in direct violation of the Interstate Commerce Act. As a matter of fact, the Resolution itself is in violation of the spirit of the Act.

The National Association of Owners of Railroad Securities, which wants to get the Resolution repealed, has called it "a political rate-making fallacy."



R-S Sanitary Fountains

Get a clear—fresh—healthful drink every time from the Rundle-Spence Vertico-Slant Fountain.

The slight slant stream prevents water from falling back upon the jet. Lips cannot touch the R-S nozzle.

Sanitary Drinking Fountains, Bath and Plumbing Fixtures and Supplies are included in the R-S line.

RUNDLE-SPENCE MFG. CO.
76 Fourth St., Milwaukee, Wisc.

Consistent with good management



Architects, engineers and building managers who specify genuine Jenkins "Diamond" Marked Valves act upon that far-sighted policy which recognizes the ultimate economy of superior fittings and equipment. The economy of Jenkins is the economy of long, efficient valve performance. Jenkins Bros., New York, Boston, Philadelphia, Chicago.

Jenkins
VALVES
Since 1864

WITHOUT BENEFIT OF BONUS

A NEW INDUSTRY EVERY THREE DAYS LOCATES IN PIEDMONT CAROLINAS

MANUFACTURERS who build plants in Piedmont Carolinas bring them here because of basic and PERMANENT advantages. Last year 127 new factories were located in this section—one every three days—and it is doubtful if a single one of them received any bonus, tax exemption, free site or similar incentive.

In the region's leading industry, 40% more new capital was invested in this handful of Carolina counties than in the rest of the entire South. Obviously no artificial—and temporary—stimulants are needed to assure the continued development of this wealth-producing region.

So marked are the obvious benefits of Piedmont Carolinas that in the coldest of engineering reports they stand out in striking contrast:

1. HERE IS A REGION that for a decade has been developing industrially—a fact that testifies to the soundness of its underlying foundations.

2. RAW MATERIAL sources are well developed, on a production basis. Yet in almost every line the available supplies are practically untouched.

3. A RESERVOIR of ambitious, productive labor is still working on small Piedmont farms. These men and women are neither the extreme individualists that inhabit inaccessible and thinly settled sections of the country nor the unambitious types found where things are stagnant. They are upstanding and energetic, and welcome the greater stability and larger future offered by industry.

4. ABUNDANT ELECTRICAL ENERGY, largely developed from water power and amply reinforced by steam-generating reserves, is available, even in many undeveloped sections.

5. GROWTH, development and progress of the territory offer apparently limitless opportunities for continued enhancement of values.

WHAT UNDERLIES THESE

ADVANTAGES?

Other sections offer raw material supplies, labor awaiting industrial employ-

ment, and available power. The unique advantages that Piedmont Carolinas offers are greater and more fundamental:

1. A BRACING, dry, healthful and invigorating upland climate. Summer temperatures equal those of southern New York and Pennsylvania, but with 10 to 15% less humidity. Mid-summer nights are almost invariably cool and comfortable. Winter temperatures are mild and equable.

2. A POPULATION predominantly white, drawn from the racial stocks that settled the Nation, reinforced by heavy migrations from northern and eastern sections of the U. S. A number of Carolina towns and even counties bear the names of places these groups left "up North".

3. A STRATEGIC LOCATION within economical marketing reach of the largest consuming centers of the country. Piedmont Carolinas is overnight from New York City and within an equal radius of over 66% of the total national buying power. (An identical circle, centered on the chief Atlantic seaports, reaches only 44% of the nation's purchasing power.)

These are PERMANENT advantages. They will not be offset in a few years.

Until nature makes more southerly regions cooler and less enervating—until vast and unforeseen economic changes deprive the East and Middle West of their tremendous purchasing power—and until twice as many of its men and women are employed in industry as at present, Piedmont Carolinas will continue to offer large incentives and attractive rewards to the manufacturer who would procure for his business a monopoly of advantage not obtainable elsewhere.

FACTS—the facts, detailed and complete, are in this book—PIEDMONT CAROLINAS, WHERE WEALTH AWAITS YOU. Sent on request to business executives, it is good reading for those to whom competition and constantly rising costs are an ever-present nightmare. Address, please, Industrial Department, Room 105, Power Building, Charlotte, N.C. Your request will receive prompt and courteous attention.

SALES ACTUALITIES

Not mere sales opportunities invite manufacturers here. Almost unbelievable are the market facts about Piedmont Carolinas—"most progressive section of the South."

LEATHER and leather products have a large and steady sale here—both mass market goods and leather products, such as rolls and belting, used in industry. Cattle are shipped out of the region by the tens of thousands. Tanbark and tan-wood are exported by thousands of carloads. And 80% of the leather goods used here is brought in from other states.

TIRES for the large and rapidly expanding number of cars and trucks owned in the South make this an important market. The geographical center of southern tire consumption is in Piedmont Carolinas. Tremendous quantities of finest quality cord tire fabric are made locally. Tire and rubber manufacture here has been outstandingly successful. Yet only 20% of the rubber goods purchased by the Carolinas alone is of local manufacture.

METALS, CLAYS AND EARTHS abound in the Carolinas to such an extent and in such wide variety that this has been called the "Mineral Box of the Nation." Yet so extensively are they exported to other sections of the country to be made up into finished form that fully 73% of all such products used here have to be brought in from other states.

MACHINERY for Piedmont Carolinas' factories is almost entirely imported. The freight bill on such imports amounts to a tremendous sum yearly. Local manufacturers of machinery, mill supplies, and repair parts show sustained activity, continuous demand for their output and handsome profits.

IN ONLY THREE CLASSES OF INDUSTRY do the Carolinas at present produce more than they consume. The natural manufacturing economies of this section are great enough to insure ready sales RIGHT HERE of many kinds of goods, for years to come.



—DUKE POWER COMPANY—
SOUTHERN PUBLIC UTILITIES CO. AND OTHER ALLIED INTERESTS

PIEDMONT INDUSTRY CAROLINAS

When writing to Duke Power Company please mention Nation's Business

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THIS is one of a series of editorials written by leading advertising men on the general subject of advertising

The True Test of Advertising

THE true test of advertising is what it does, not how it looks.

This battle of the markets demands high-powered advertising—advertising that arrests the attention of the millions, convinces them of the merit of the product, and the greater satisfaction it will give, not only in comparison with similar products, but with wholly unrelated products.

In one of the leading industries manufacturing an article consumed by the millions, the competitive manufacturers, through their advertising agencies, for years tried to see who could produce the cleverest copy and most attractive pictures. Copy chiefs and art directors patted themselves on the back as they brought forth still cleverer copy and still prettier pictures. The market was won by the advertisers who spent the most money, but the results were not commensurate with the advertising appropriations.

Finally one of these manufacturers concluded that beautiful advertising was an expensive luxury. He determined to make the only test for his copy its effect on sales, day by day, and year after year.

A new campaign was developed based on fundamental principles of salesmanship-in-print that for years had successfully built great advertising successes. In four years this manufacturer has quadrupled his sales, reduced his unit cost of sales, and left his competitors all far behind. He is making new sales records in a year when many manufacturers are in the red.

It is significant that the manufacturers who are not worrying about "the depression of 1930" are largely those who are using the same character of hard-boiled, sales-building salesmanship-in-print.

FRANK H. FAYANT, Vice President
Lord & Thomas and Logan

NOW Rubber... AS DAINITY AS SILK

A remarkable Goodrich development that adds new style to rubber products



THE DEL RIO oxford is one of the many smart footwear styles developed by Goodrich. It weighs but a few ounces.



THE MOIRE PATTERN above illustrates the delicacy and daintiness of effect achieved by Goodrich for its rubber products. At the right are shown two extremely popular Goodrich bathing caps characterized by striking freshness in design.



BATHING caps of rubber... with the sheen of satin and the texture of finest fabrics. Hot water bottles of surpassing daintiness... with cobwebby patterns and pastel colors.

Shower boots and beach shoes with the grace of an evening slipper... the color variety of fancy leathers... and the practicability that only rubber can give!

These are just a few of the amazing contributions Goodrich has made to style.

For it is the purpose of Goodrich not only to aid industry, but to foster enterprise. Will rubber, with the daintiness of silk, open new markets? Goodrich responds with both texture and color!

Can an ordinary household article be made less commonplace? Goodrich re-

plies with beauty where only utility reigned before.

Can bad weather footwear be put in harmony with Paris fashions, dainty frocks?

Goodrich relegates clumsy overshoes to

the background—carries a woman smartly shod through the worst of weather!

For Goodrich technical men are magicians in rubber. They know its qualities, its possibilities. In the years they have devoted to studying rubber they have compiled masses of priceless data that make each new problem easier.

Through the Goodrich Industrial Research Committee, all of this information, as well as the findings of further Goodrich studies, are made available to the industrial and business world.

Executives are invited to correspond with the Chairman of the Committee, who is glad to institute special research whenever practicable. Goodrich, Established 1870, Akron, Ohio.



WATER BOTTLES are no longer merely utilitarian, thanks to Goodrich. The bottle above, in sunburst pattern, comes in numerous colors.

FOOTWEAR—SUNDRIES

Other **B.F. Goodrich** Products

Goodrich now manufactures over 32,000 rubber articles, representing more than a thousand distinct rubber products—Goodrich Silvertowns • Zippers • Rubber Footwear • Drug Sundries • Soles • Heels • Hose • Belting • Packing • Molded Goods

When writing to GOODRICH INDUSTRIAL RESEARCH COMMITTEE please mention Nation's Business

Here is how Cheaply you can now Telephone to other Cities



Your customers are no further away than the telephone on your desk

THIS CHART SHOWS THE STATION-TO-STATION DAY RATES BETWEEN REPRESENTATIVE CITIES

	Atlanta, Ga.	Boston, Mass.	Chicago, Ill.	Cincinnati, Ohio	Cleveland, Ohio	Denver, Colo.	Detroit, Mich.	Indianapolis, Ind.	Milwaukee, Wis.	Newark, N. J.	New Haven, Conn.	New York, N. Y.	Omaha, Neb.	Philadelphia, Pa.	San Francisco, Cal.	St. Louis, Mo.	Washington, D. C.
Atlanta, Ga.		3.50	2.35	1.65	2.15	4.50	2.35	1.75	2.55	2.75	3.25	3.00	3.00	2.55	7.75	1.95	2.35
Boston, Mass.	3.50		3.25	3.00	2.35	6.50	2.55	3.00	3.25	1.05	.70	1.00	4.50	1.25	9.50	3.75	1.65
Chicago, Ill.	2.35	3.25		1.20	1.45	3.50	1.15	.90	.50	2.75	3.00	3.00	1.80	2.55	6.75	1.25	2.55
Cincinnati, Ohio	1.65	3.00	1.20		1.25	4.00	1.15	.60	1.50	2.35	2.55	2.35	2.55	2.15	7.25	1.45	1.80
Cleveland, Ohio	2.15	2.35	1.45	1.25		4.50	.60	1.25	1.65	1.70	1.95	1.80	3.00	1.60	7.75	2.05	1.45
Denver, Colo.	4.50	6.50	3.50	4.00	4.50		4.25	3.75	3.50	6.00	6.25	6.00	2.05	5.75	3.75	3.25	5.50
Detroit, Mich.	2.35	2.55	1.15	1.15	.60	4.25		1.15	1.25	1.95	2.15	2.05	2.75	1.85	7.50	1.95	1.70
Indianapolis, Ind.	1.75	3.00	.90	.60	1.25	3.75	1.15		1.20	2.55	2.75	2.55	2.15	2.35	7.00	1.10	2.05
Milwaukee, Wis.	2.55	3.25	.50	1.50	1.65	3.50	1.25	1.20		3.00	3.00	3.00	1.75	2.75	6.75	1.50	2.55
Newark, N. J.	2.75	1.05	2.75	2.35	1.70	6.00	1.95	2.55	3.00		.50	.15	4.00	.50	9.00	3.25	1.00
New Haven, Conn.	3.25	.70	3.00	2.55	1.95	6.25	2.15	2.75	3.00	.50		.50	4.25	.80	9.25	3.50	1.30
New York, N. Y.	3.00	1.00	3.00	2.35	1.80	6.00	2.05	2.55	3.00	.15	.50		4.25	.50	9.00	3.25	1.05
Omaha, Neb.	3.00	4.50	1.80	2.55	3.00	2.05	2.75	2.15	1.75	4.00	4.25	4.25		4.00	5.25	1.65	3.75
Philadelphia, Pa.	2.55	1.25	2.55	2.15	1.60	5.75	1.85	2.35	2.75	.50	.80	.50	4.00		8.75	3.00	.75
San Francisco, Cal.	7.75	9.50	6.75	7.25	7.75	3.75	7.50	7.00	6.75	9.00	9.25	9.00	5.25	8.75		6.50	8.50
St. Louis, Mo.	1.95	3.75	1.25	1.45	2.05	3.25	1.95	1.10	1.50	3.25	3.50	3.25	1.65	3.00	6.50		2.75
Washington, D. C.	2.35	1.65	2.55	1.80	1.45	5.50	1.70	2.05	2.55	1.00	1.30	1.05	3.75	.75	8.50	2.75	



It is your business pathway to the world . . . quick, convenient, inexpensive

THE TELEPHONE takes you "there and back" in minutes. You can transact business over thousands of miles without leaving your desk. "See" as many people as you wish. Give or receive a definite answer immediately . . . at a saving of time and money.

There are two kinds of out-of-town calls: *person-to-person*—when you ask the operator to summon a specific person to the telephone; and *station-to-station*—when you will talk with any one who answers. Station-to-station calls are cheaper. The charges can be reversed without additional cost on person-to-person calls and on many station-to-station calls.

Features of Bell Telephone service



which are of particular aid in sales work include the *Key Town Plan*, for covering territories from key cities by telephone . . . *Sequence Calling Lists*, for putting through any number of calls in rapid succession . . . *Credit Cards*, which make it possible for traveling representatives to charge their telephone calls to the home office.

Doing business by telephone widens the sphere of your activities. There have been four reductions in inter-city telephone rates during the past four years. The average Long Distance call goes through in approximately two minutes. Bell Telephone service is *Quick . . . Convenient . . . Inexpensive*.